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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC.

Meeting No. 1

Monday, May 1, 2006

ORDER OF THE DAY:

The Clerk of the Committee presided over the election of a Chair.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy
Rick Dykstra
Luc Harvey
Yvan Loubier
Hon. John McCallum
Hon. John McKay
Massimo Pacetti
Brian Pallister
Michael Savage
Thierry St-Cyr
Hon. Garth Turner
Judy Wasylycia-Leis

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal
Alexandre Laurin, Analyst

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 1

Monday, May 1, 2006

The Standing Committee on Finance met at 3:39 p.m. this day, in Room 237-C, Centre Block, for the purpose of electing a Chair, pursuant to Standing Order 106(1).

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Luc Harvey, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

The Clerk of the Committee presided over the election of a Chair.

On motion of Garth Turner, it was agreed, — That Brian Pallister be elected Chair of the Committee.

On motion of Thierry St-Cyr, it was agreed, — That Massimo Pacetti be elected Vice-Chair of the Committee.

On motion of Thierry St-Cyr, it was agreed, — That Yvan Loubier be elected Vice-Chair of the Committee.

Brian Pallister took the Chair.

On motion of John McKay, it was agreed, — That the Committee retain, as needed and at the discretion of the Chair, the services of one or more analysts from the Library of Parliament to assist it in its work.

On motion of Massimo Pacetti, it was agreed, — That the Subcommittee on Agenda and Procedure be composed of the Chair, the two Vice-Chairs and a member of the other opposition party.

On motion of Rick Dykstra, it was agreed, — That the Chair be authorized to hold meetings to receive evidence and to have that evidence printed when a quorum is not present, provided that at least three (3) members are present; including one member of the opposition.

On motion of Michael Savage, it was agreed, — That the Clerk of the Committee be authorized to distribute to the members of the Committee only documents that are available in both official languages.

On motion of Garth Turner, it was agreed, — That the Clerk of the Committee be authorized to make the necessary arrangements to provide working meals for the Committee and its Subcommittees.

On motion of Yvan Loubier, it was agreed, — That, if requested, reasonable travel, accommodation and living expenses be reimbursed to witnesses not exceeding one representative per organization; and that, in exceptional circumstances, payment for more representatives be made at the discretion of the Chair.

On motion of Thierry St-Cyr, it was agreed, — That, unless otherwise ordered, each Committee member be allowed to be accompanied by one staff person at an in camera meeting.

On motion of Massimo Pacetti, it was agreed, — That one copy of the transcript of each in camera meeting be kept in the Committee Clerk's office for consultation by members of the Committee.

On motion of Diane Ablonczy, it was agreed, — That 48 hours' notice be required for any substantive motion to be considered by the Committee, unless the substantive motion relates directly to business then under consideration; and that the notice of motion be filed with the Clerk of the Committee and distributed to members in both official languages.

On motion of Diane Ablonczy, it was agreed, — That during the questioning of witnesses, the rounds of questioning be as follows:

1st round (7 minutes)

- Liberal
- Bloc québécois
- NDP
- Conservative

2nd round (5 minutes)

- Liberal
- Conservative
- Bloc québécois

3rd round (5 minutes)

- Liberal
- Conservative

4th round (5 minutes)

- Liberal
- Conservative
- NDP.

On motion of Massimo Pacetti, it was agreed, — That all meetings of the Finance Committee be televised whenever possible.

At 4:00 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/05/03 4:22 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC.

Meeting No. 2

Monday, May 8, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy
Rick Dykstra
Luc Harvey
Yvan Loubier
Hon. John McCallum
Hon. John McKay
Massimo Pacetti
Brian Pallister
Michael Savage
Thierry St-Cyr
Hon. Garth Turner

ACTING MEMBER PRESENT:

David Christopherson for Judy Wasylycia-Leis

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst

Sheena Starky, Analyst

WITNESSES:

Canada Revenue Agency:

Michel Dorais, Commissioner

Brian McCauley, Acting Assistant Commissioner, Legislative
Policy and Regulatory Affairs Branch

James Ralston, Chief Financial Officer and Assistant
Commissioner, Finance and Administration Branch

Barbara Slater, Assistant Commissioner, Assessment and Benefit
Services Branch

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 2

Monday, May 8, 2006

The Standing Committee on Finance met in a televised session at 3:32 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Luc Harvey, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Hon. Garth Turner.

Acting Members present: David Christopherson for Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; Sheena Starky, Analyst.

Witnesses: Canada Revenue Agency: Michel Dorais, Commissioner; Brian McCauley, Acting Assistant Commissioner, Legislative Policy and Regulatory Affairs Branch; James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch; Barbara Slater, Assistant Commissioner, Assessment and Benefit Services Branch.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007: VOTE 1 under CANADA REVENUE AGENCY, referred to the Committee on Tuesday, April 25, 2006.

The Chair called Vote 1 under CANADA REVENUE AGENCY.

The witnesses made statements and answered questions.

At 4:59 p.m., the sitting was suspended.

At 5:02 p.m., the sitting resumed.

The Committee proceeded to sit in public to consider matters related to Committee business.

The Chair presented the First Report from the Subcommittee on Agenda and Procedure which reads as follows:

Your Subcommittee on Agenda and Procedure met on Wednesday, May 3, 2006 and agreed to recommend the following:

1. That whenever the Main Estimates or the Supplementary Estimates are tabled in the House, the Committee invite the Minister and any relevant Senior Officials of a Department to appear at a meeting of the Committee, which is televised if possible.
2. That whenever a Chapter of a Report of the Auditor General refers to a subject under the mandate of the Committee, the Committee invite the Office of the Auditor General of Canada and any relevant Senior Officials of a Department to appear at a meeting of the Committee, which is televised if possible.

3. That notwithstanding the motion of Monday, May 1, 2006, concerning the composition of the Subcommittee on Agenda and Procedure, the motion be amended to read as follows:

That the Subcommittee on Agenda and Procedure be composed of the Chair, two Vice-Chairs, the Parliamentary Secretary to the Minister of Finance and a member from the other opposition party.

4. That notwithstanding the motion of Monday, May 1, 2006, concerning the questioning of witnesses, the motion be amended to read as follows:

That the order of questioners be as follows:

1st round

1. Liberal 7 minutes
2. Bloc Québécois 7 minutes
3. Conservative 7 minutes
4. NDP 7 minutes

2nd round

5. Liberal 5 minutes
6. Bloc Québécois 5 minutes
7. Conservative 5 minutes
8. Liberal 5 minutes
9. Conservative 5 minutes
10. Liberal 5 minutes
11. Conservative 5 minutes

When a Minister appears:

1st round

1. Liberal 7 minutes
2. Bloc Québécois 7 minutes
3. NDP 7 minutes
4. Conservative 7 minutes

2nd round

5. Liberal 5 minutes
6. Bloc Québécois 5 minutes
7. Conservative 5 minutes
8. Liberal 5 minutes
9. Conservative 5 minutes
10. Liberal 5 minutes

5. That the order of priority for hearings of the Finance Committee be as follows :

1. Main Estimates - 2006-2007

- Canada Revenue Agency – Vote 1
- Department of Finance – Vote 1, 5, 10, L15
- Canadian International Trade Tribunal – Vote 25

- Financial Transactions and Reports Analysis Centre of Canada – Vote 30
- Office of the Superintendent of Financial Institutions – Vote 35

2. Statutory Review of the Canada Revenue Agency Act

3. Independent Parliamentary Budget Office

4. Annual Reports of selected Crown Corporations including:

- Canada Pension Plan Investment Board (CPPIB)
- Canadian International Trade Tribunal (CITT)
- Financial Consumer Agency of Canada (FCAC)
- Office of the Superintendent of Financial Institutions (OSFI)
- Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)

Respectfully submitted,

BRIAN PALLISTER
Chair

On motion of John McCallum, it was agreed, — That the First Report of the Subcommittee be concurred in.

Garth Turner moved, — That the report of the Subcommittee be concurred in.

The question was put on the motion and it was agreed to on the following recorded division: YEAS: Diane Ablonczy, Rick Dykstra, Luc Harvey, Yvan Loubier, John McCallum, Massimo Pacetti, Michael Savage, Thierry St-Cyr, Garth Turner — 9; NAYS: David Christopherson — 1.

At 5:15 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/05/11 10:49 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC

Meeting No. 3

Wednesday, May 10, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Luc Harvey,
Yvan Loubier,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Philippe Bergevin, Analyste;
Alexandre Laurin, Analyst.

WITNESSES:

Department of Finance:

Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch;

Robert Dunlop, General Director, Economic Development and Corporate Finance;

Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch;

Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch;

Serge Nadeau, General Director, Analysis, Tax Policy Branch;

Lawrence Purdy, Chief, Tax Legislation Division;

Coleen Volk, Assistant Deputy Minister, Corporate Services Branch.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

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Meeting No. 3

Wednesday, May 10, 2006

The Standing Committee on Finance met at 3:32 p.m. this day, in Room 308, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Luc Harvey, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Sylycia-Leis.

Attendance: Library of Parliament: Philippe Bergevin, Analyste; Alexandre Laurin, Analyst.

Witnesses: Department of Finance: Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch; Robert Dunlop, General Director, Economic Development and Corporate Finance; Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch; Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch; Serge Nadeau, General Director, Analysis, Tax Policy Branch; Lawrence Purdy, Chief, Tax Legislation Division; Coleen Volk, Assistant Deputy Minister, Corporate Services Branch.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007: VOTES 1, 5, 10, L 15 under FINANCE referred to the Committee on Tuesday, April 25, 2006.

By unanimous consent, the Chair called Votes 1, 5, 10, L15 under FINANCE.

The witnesses made statements and answered questions.

By unanimous consent, on motion of Garth Turner, it was agreed, — That this Committee request the presence of stakeholders and expert witnesses with regard to Vote 10 of the Estimates in order that members gain the information they require to deal with the issue.

The questioning of the witnesses resumed.

At 5:27 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

5/05/11 10:49 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC

Meeting No. 4

Monday, May 15, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2004-2005 of the CANADIAN TRADE TRIBUNAL.

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2005 of FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Luc Harvey,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paule Brunelle for Yvan Loubier,
and Paul Crête for Thierry St-Cyr.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Sheena Starky, Analyst.

WITNESSES:

Canadian International Trade Tribunal:
Pierre Gosselin, Chair, Office of the Chairman;
John Greig, Executive Director General of Research.

Financial Transactions and Reports Analysis Centre of Canada:
Sandra Wing, Senior Deputy Director;
Alfred Tsang, Assistant Director, Finance and Administration,
Strategies and Partnerships Sector;
Paul Dubrule, General Counsel, Legal Services.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 4

Monday, May 15, 2006

The Standing Committee on Finance met in a televised session at 3:35 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Luc Harvey, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Paule Brunelle for Yvan Loubier and Paul Crête for Thierry St-Cyr.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: Canadian International Trade Tribunal: Pierre Gosselin, Chair, Office of the Chairman; John Greig, Executive Director General of Research. *Financial Transactions and Reports Analysis Centre of Canada:* Sandra Wing, Senior Deputy Director; Alfred Tsang, Assistant Director, Finance and Administration, Strategies and Partnerships Sector; Paul Dubrule, General Counsel, Legal Services.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007: VOTE 25 under CANADIAN INTERNATIONAL TRADE TRIBUNAL referred to the Committee on Tuesday, April 25, 2006.

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2004-2005 of the CANADIAN INTERNATIONAL TRADE TRIBUNAL.

By unanimous consent, the Chair calls Vote 25 under CANADIAN INTERNATIONAL TRADE TRIBUNAL.

The witnesses made statements and answered questions.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007: VOTE 30 under FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA, referred to the Committee on Tuesday, April 25, 2006.

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2005 of FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA.

By unanimous consent, the Chair calls Vote 30 under FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA.

The witnesses made statements and answered questions.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/05/16 4:37 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC

Meeting No. 5

Wednesday, May 17, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Luc Harvey,
Yvan Loubier,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

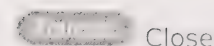
IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Office of the Superintendent of Financial Institutions Canada:
Nicholas Le Pan, Superintendent of Financial Institutions.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 5

Wednesday, May 17, 2006

The Standing Committee on Finance met at 3:40 p.m. this day, in Room 362, East Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Luc Harvey, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Office of the Superintendent of Financial Institutions Canada: Nicholas Le Pan, Superintendent of Financial Institutions.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2006-2007: VOTE 35 under OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS, referred to the Committee on Tuesday, April 25, 2006.

By unanimous consent, the Chair calls Vote 35 under OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS CANADA.

The witness made a statement and answered questions.

Judy Wasylycia-Leis moved, — That the Standing Committee on Finance request that the government of Canada develop skills and competence-related criteria for all government appointments, including Board Members and senior Officers of Crown Corporations and other government agencies, for which the Standing Committee on Finance has reviewing responsibility; and that this criteria specifically address the non-partisan nature of these appointments.

That the Standing Committee on Finance request that the government then submit this criteria to the Standing Committee for consideration, and approval with amendment if necessary.

That the Standing Committee request that the Government of Canada then publicly release, including publishing in the Canada Gazette, the committee-approved criteria for each appointment.

That the names and qualifications of each nominee for an appointed position be referred to the Standing Committee on Finance prior to the date of their appointment, with an explanation of how each nominee's qualification has met the established criteria.

That the Standing Committee on Finance, unless it unanimously decides otherwise, shall have at least one full meeting every two months to review government nominees for appointment..

Debate arose thereon.

Massimo Pacetti moved, — That the motion be amended by deleting section 5 which reads as follows:

That the Standing Committee on Finance, unless it unanimously decides otherwise, shall have at least one full meeting every two months to review government nominees for appointment.

After debate, the question was put on the amendment of Massimo Pacetti and it was agreed to.

The question was put on the motion, as amended, and it was negatived, by a show of hands: YEAS: 3; NAYS: 8.

John McCallum moved, — That all notices of motion that have been circulated and have received the requisite 48 hours notice, shall be put on the agenda for all meetings until such time as the motion has been disposed of.

The question was put on the motion and it was agreed to, by a show of hands: YEAS: 6; NAYS: 4.

At 5:21 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/05/19 3:28 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC.

Meeting No. 6

Monday, May 29, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2006-2007 referred to the Committee on Tuesday, April 25, 2006.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy
Rick Dykstra
Yvan Loubier
Hon. John McCallum
Hon. John McKay
Massimo Pacetti
Brian Pallister
Michael Savage
Thierry St-Cyr
Hon. Garth Turner
Judy Wasylycia-Leis

ACTING MEMBER PRESENT:

Dean Del Mastro for Luc Harvey

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 6

Monday, May 29, 2006

The Standing Committee on Finance met in a televised session at 3:30 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Dean Del Mastro for Luc Harvey.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; June Dewetering, Principal.

Witnesses: RBC Financial Group: Catherine Adams, Vice-President, Home Equity Financing, RBC Royal Bank. *AIG United Guaranty Canada:* Andy Charles, President and CEO. *Canadian Home Builders' Association:* John Kenward, Chief Operating Officer. *Canada Mortgage and Housing Corporation:* Karen A. Kinsley, President. *PMI Group, Inc.:* David Liu, Vice President, International Markets. *Canadian Institute of Mortgage Brokers and Lenders:* Jim Murphy, Senior Director, Government Relations and Communications. *Canadian Real Estate Association:* Dale Ripplinger, Director - Chair, Federal Affairs Committee. *Mouvement des caisses Desjardins:* Noël Roy, Chef de produit, financement hypothécaire, Direction, développement de l'offre. *Triad Guaranty Insurance Corporation:* Mark Tonnesen, President, CEO. *Genworth Financial Canada:* Peter Vukanovich, President and CEO.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2006-2007: VOTE 10 under FINANCE referred to the Committee on Tuesday, April 25, 2006.

The witnesses made statements and answered questions.

At 5:00 p.m. Massimo Pacetti took the Chair.

At 5:04 p.m. Brian Pallister took the Chair.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2006-2007 - VOTE 1 under CANADA REVENUE AGENCY, VOTES 1, 5, 10, L15, 25, 30 and 35 under FINANCE, referred to the Committee on Tuesday, April 25, 2006.

Vote 1 under CANADA REVENUE AGENCY carried on division.

Votes 1, 5, L15 25, 30 and 35 under FINANCE (Canadian International Trade Tribunal, Financial Transactions and Reports Analysis Centre of Canada, Office of the Superintendent of Financial Institutions) carried severally on division.

The question: "Shall Vote 10 under FINANCE carry?" was put and was agreed to on the following recorded division: YEAS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Yvan Loubier, John McCallum, John McKay, Massimo Pacetti, Michael Savage, Thierry St-Cyr, Garth Turner — 10;

NAYS: Judy Wasylycia-Leis — 1.

It was agreed, — That the Chair report the Main Estimates (2006 - 2007) to the House.

At 5:36 p.m., the sitting was suspended.

At 5:36 p.m., the sitting resumed.

The Committee proceeded to the consideration of matters related to Committee business.

The Chair presented the Second Report from the Subcommittee on Agenda and Procedure which reads as follows:

Your Subcommittee on Agenda and Procedure met on Wednesday, May 12, 2006 and agreed to make the following recommendations:

1. That the Committee schedule a meeting on Monday, May 29, 2006 in relation to VOTE 10 under FINANCE of the 2006-2007 Main Estimates.

2. That the Committee's hearings on Bill C-13, Budget Implementation Act, 2006 be as follows:

Tuesday, May 30

Minister of Finance and Departmental Officials

Wednesday, May 31

Witnesses

Thursday, June 1

Clause-by-Clause consideration of the Bill

3. That the Committee agree not to hold a hearing on the certificate of nomination of Bryan Davies, Chairperson of the Board of Directors of the Canada Deposit Insurance Corporation.

4. That with respect to the pre-budget consultations, a memo be forwarded to all committee members requesting their input regarding the format, and any potential themes for discussion.

5. That with respect to the consideration of Bill C-13, Budget Implementation Act, 2006, a memo be forwarded to all members requesting that they suggest the names of any potential witnesses.

At 6:17 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/01 3:22 p.m.

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IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst
June Dewetering, Principal

WITNESSES:

RBC Financial Group:

Catherine Adams, Vice-President, Home Equity Financing, RBC
Royal Bank

AIG United Guaranty Canada:

Andy Charles, President and CEO

Canadian Home Builders' Association:

John Kenward, Chief Operating Officer

Canada Mortgage and Housing Corporation:

Karen A. Kinsley, President

PMI Group, Inc.:

David Liu, Vice President, International Markets

Canadian Institute of Mortgage Brokers and Lenders:

Jim Murphy, Senior Director, Government Relations and
Communications

Canadian Real Estate Association:

Dale Ripplinger, Director - Chair, Federal Affairs Committee

Mouvement des caisses Desjardins:

Noël Roy, Chef de produit, financement hypothécaire, Direction,
développement de l'offre

Triad Guaranty Insurance Corporation:

Mark Tonnesen, President, CEO

Genworth Financial Canada:

Peter Vukanovich, President and CEO

Elizabeth B. Kingston
Clerk of the Committee

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister. CPC

Meeting No. 7

Tuesday, May 30, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee commenced consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Yvan Loubier,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

WITNESSES:

Department of Finance:

Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations & Social Policy Branch;

Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch;

Bob Hamilton, Senior Assistant Deputy Minister, Tax Policy Branch;

Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch;

Gérard Lalonde, Senior Chief, Tax Legislation;

Serge Nadeau, General Director, Analysis, Tax Policy Branch;

Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch;

Pierre Mercille, Chief, Sales Tax Division / Tax Policy Branch / Legislation Policy.

The Minister of Finance made a statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 7

Tuesday, May 30, 2006

The Standing Committee on Finance met in a televised session at 3:30 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Department of Finance: Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations & Social Policy Branch; Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch; Bob Hamilton, Senior Assistant Deputy Minister, Tax Policy Branch; Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch; Gérard Lalonde, Senior Chief, Tax Policy Branch; Serge Nadeau, General Director, Analysis, Tax Policy Branch; Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch; Pierre Mercille, Chief, Sales Tax Division / Tax Policy Branch / Legislation Policy.

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee commenced consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

The Chair called Clause 1.

The Minister of Finance made a statement and, with the other witnesses, answered questions.

At 5:37 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/01 9:54 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 9

Thursday, June 1, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee commenced consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Meili Faille for Yvan Loubier,
and Pierre A. Paquette for Yvan Loubier.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst;
Philippe Bergevin, Analyste.

WITNESSES:

Department of Finance:

Serge Dupont, Acting Assistant Deputy Minister, Financial Sector
Policy Branch;
Gérard Lalonde, Senior Chief, Tax Legislation;
Pierre Mercille, Chief, Sales Tax Division / Tax Policy Branch /
Legislation Policy;
Doug Murphy, Acting Assistant Director, Economic Security
Policy;
Serge Nadeau, General Director, Analysis, Tax Policy Branch;
Carlos Achadinha, Chief;
Gerrý Salembier, Director;
Lalith Kottachchi, Senior Tax Policy Officer.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 9

Thursday, June 1, 2006

The Standing Committee on Finance met at 10:04 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Meili Faille for Yvan Loubier and Pierre A. Paquette for Yvan Loubier.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; Philippe Bergevin, Analyste.

Witnesses: Department of Finance: Serge Dupont, Acting Assistant Deputy Minister, Financial Sector Policy Branch; Gérard Lalonde, Senior Chief, Tax Legislation; Pierre Mercille, Chief, Sales Tax Division / Tax Policy Branch / Legislation Policy; Doug Murphy, Acting Assistant Director, Economic Security Policy; Serge Nadeau, General Director, Analysis, Tax Policy Branch; Carlos Achadinha, Chief; Gerry Salembier, Director; Lalith Kottachchi, Senior Tax Policy Officer.

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee resumed consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

Clauses 2 to 57 inclusive carried on division severally.

On Clause 58,

Massimo Pacetti moved, — That Bill C-13, in Clause 58, be amended by replacing line 13 on page 64 with the following:

“(a) 15% of the amount taxable, if the”

After debate, the question was put on the amendment of Massimo Pacetti and it was negatived on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Michael Savage, Judy Wasylycia-Leis — 5; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Pierre A. Paquette, Thierry St-Cyr, Garth Turner — 6.

Massimo Pacetti moved, — That Bill C-13, in Clause 58, be amended by replacing line 16 on page 64 with the following:

“(b) \$5,339 plus 22% of the amount by which”

By unanimous consent, the amendment was withdrawn.

Massimo Pacetti moved, — That Bill C-13, in Clause 58, be amended by replacing line 20 on page 64 with the following:

“(c) \$13,170 plus 26% of the amount by”

By unanimous consent, the amendment was withdrawn.

Massimo Pacetti moved, — That Bill C-13, in Clause 58, be amended by replacing line 24 on page 64 with the following:

“(d) \$24,753 plus 29% of the amount by”

By unanimous consent, the amendment was withdrawn.

Massimo Pacetti moved, — That Bill C-13, in Clause 58, be amended by replacing line 36 on page 64 with the following:

“(a) 15% of the amount taxable, if the”

The question was put on the amendment of Massimo Pacetti and it was negatived on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Michael Savage, Judy Wasylycia-Leis — 5; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Pierre A. Paquette, Thierry St-Cyr, Garth Turner — 6.

Clause 58 carried on division.

Clause 59 carried on division.

On Clause 60,

Massimo Pacetti moved, — That Bill C-13, in Clause 60, be amended by replacing lines 11 to 42 on page 66, lines 1 to 45 on page 67, lines 1 to 44 on page 68 and lines 1 to 17 on page 69 with the following:

“(a) for the 2005 taxation year, to be replaced by the amount that is the total of \$500 and the amount that would be determined for that description for that taxation year in respect of the particular amount if this section were read without reference to this subsection and section 117.1 were read without reference to subsection 117.1(3);

(b) for the 2006 taxation year, to be replaced by the amount that is the total of \$200 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (a);

(c) for the 2007 taxation year, to be replaced by the amount that is the total of \$100 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (b);

(d) for the 2008 taxation year, to be replaced by the amount that is the total of \$100 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (c);

(e) for the 2009 taxation year, to be replaced by the amount that is the greater of

(i) the amount that is the total of \$300 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (d), and

(ii) \$10,000; and

(f) for the 2010 and subsequent taxation years, to be replaced by the amount that is the amount that would be determined for that description for those years in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (e).

(3.2) The amount of \$6,055 referred to in subparagraphs (a)(ii) and (b)(iv) of the description of B in subsection (1) (in this subsection referred to as the “particular amount”) that is to be used for the purpose of determining the amount of that description is

(a) for the 2005 taxation year, to be replaced by the amount that is the total of \$425 and the amount that would be determined for that description for that taxation year in respect of the particular amount if this section were read without reference to this subsection and section 117.1 were read without reference to subsection 117.1(3);

(b) for the 2006 taxation year, to be replaced by the amount that is the total of \$170 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (a);

(c) for the 2007 taxation year, to be replaced by the amount that is the total of \$85 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (b);

(d) for the 2008 taxation year, to be replaced by the amount that is the total of \$85 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (c);

(e) for the 2009 taxation year, to be replaced by the amount that is the greater of

(i) the amount that is the total of \$255 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (d), and

(ii) \$8,500; and

(f) for the 2010 and subsequent taxation years, to be replaced by the amount that is the amount that would be determined for that description for those years in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (e).

(3.3) The amount of \$606 referred to in subparagraphs (a)(ii) and (b)(iv) of the description of B in subsection (1) (in this subsection referred to as the “particular amount”) that is to be used for the

purpose of determining the amount of that description is

(a) for the 2005 taxation year, to be replaced by the amount that is the total of \$42.50 and the amount that would be determined for that description for that taxation year in respect of the particular amount if this section were read without reference to this subsection and section 117.1 were read without reference to subsection 117.1(3);

(b) for the 2006 taxation year, to be replaced by the amount that is the total of \$17 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (a);

(c) for the 2007 taxation year, to be replaced by the amount that is the total of \$8.50 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (b);

(d) for the 2008 taxation year, to be replaced by the amount that is the total of \$8.50 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (c);

(e) for the 2009 taxation year, to be replaced by the amount that is the greater of

(i) the amount that is the total of \$25.50 and the amount that would be determined for that description for that taxation year in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (d), and

(ii) \$850; and

(f) for the 2010 and subsequent taxation years, to be replaced by the amount that is the amount that would be determined for that description for those years in respect of the particular amount by applying section 117.1 (without reference to subsection 117.1(3)) to the amount determined under paragraph (e).”

After debate, the question was put on the amendment of Massimo Pacetti and it was negatived on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Michael Savage, Judy Wasylycia-Leis — 5; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Meili Faille, Thierry St-Cyr, Garth Turner — 6.

Clause 60 carried on division.

Clauses 61 to 74 inclusive, 75.1, 75 to 132 inclusive, 133.1 and 133 to 192 inclusive carried on division severally.

Judy Wasylycia-Leis moved, — That Bill C-13, in Clause 193, be amended by adding after line 24 on page 167 the following:

“(1.1) Despite subsection (1), the Minister of Finance may not enter into an agreement referred to in that subsection with any person that does not meet the applicable selection criteria prescribed by

regulation.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived on the following recorded division: YEAS: Massimo Pacetti, Judy Wasylycia-Leis — 2; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Garth Turner — 9.

Judy Wasylycia-Leis moved, — That Bill C-13, in Clause 193, be amended by adding after line 11 on page 168 the following:

“(6) The Minister of Finance shall, within 30 days after the end of each fiscal year, prepare a report setting out the following with respect to that fiscal year and for every person with whom an agreement has been entered into:

(a) the first three digits of the postal code of each mortgaged or hypothecated property and each property for which mortgage or hypothec insurance was refused; and

(b) the reasons for refusing to issue mortgage or hypothec insurance.

(7) The Minister of Finance shall cause the report to be laid before each House of Parliament forthwith on the completion thereof or, if Parliament is not then sitting, on any of the first fifteen days next thereafter that either House of Parliament is sitting.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived on the following recorded division: YEAS: John McKay, Massimo Pacetti, Judy Wasylycia-Leis — 3; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, John McCallum, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Garth Turner — 8.

Judy Wasylycia-Leis moved, — That Bill C-13, in Clause 193, be amended by adding after line 26 on page 168 the following:

“(d) the selection criteria that persons may or may not use to sell mortgage or hypothec insurance.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived on the following recorded division: YEAS: Massimo Pacetti, Judy Wasylycia-Leis — 2; NAYS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Garth Turner — 9.

Clause 194 carried on division.

Clauses 195 to 198 inclusive, 199.1, 199, 200, 201.1 and 201 to 217 inclusive carried on division severally.

The Short Title carried on division.

Schedule 1 carried on division.

Schedule 2 carried on division.

The Title carried on division.

The Bill carried on division.

ORDERED on division, — That the Chair report the Bill to the House.

The witnesses made statements and answered questions.

At 10:04 a.m., the sitting was suspended.

At 10:07 a.m., the sitting resumed.

At 11:37 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/05 10:47 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister, CPC.

Meeting No. 8

Wednesday, May 31, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee commenced consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy
Dean Del Mastro
Rick Dykstra
Yvan Loubier
Hon. John McCallum
Hon. John McKay
Massimo Pacetti
Brian Pallister
Michael Savage
Thierry St-Cyr
Hon. Garth Turner
Judy Wasylycia-Leis

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst

 Close

MINUTES OF PROCEEDINGS

Meeting No. 8

Wednesday, May 31, 2006

The Standing Committee on Finance met in a televised session at 3:33 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Caledon Institute of Social Policy: Ken Battle, President. *Canadian Federation of Students:* Ian Boyko, Government Relations Coordinator. *Imagine Canada:* Peter Broder, Corporate Counsel and Director, Regulatory Affairs. *Canadian Cancer Society:* Rob Cunningham, Senior Policy Analyst. *Imagine Canada:* Teri A. Kirk, Vice-President, Public Policy and Government Relations. *Child Care Advocacy Association of Canada:* Monica Lysack, Executive Director. *Association of Fundraising Professionals:* Rob Peacock, President. *Wellesley Institute:* Michael Shapcott, Senior Fellow in Residence, Public Policy. *Mining Association of Canada:* Paul Stothart, Vice President, Economic Affairs. *Department of Finance - Saskatchewan:* Hon. Andrew Thomson, Minister; Ms. Erin Brady, Analyst, Intergovernmental Affairs. *Green Budget Coalition:* Andrew Van Iterson, Program Manager. *Canadian Alliance of Student Associations:* Toby White, Government Relations Officer. *Wee Watch:* Leslie Wilson, Vice-President.

Pursuant to the Order of Reference of Friday, May 19, 2006, the Committee resumed consideration of Bill C-13, An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

The witnesses made statements and answered questions.

It was agreed, — That the rounds of questioning the witnesses for this meeting only be five (5) minutes.

At 5:36 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/01 3:25 p.m.

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WITNESSES:

Caledon Institute of Social Policy:

Ken Battle, President

Canadian Federation of Students:

Ian Boyko, Government Relations Coordinator

Imagine Canada:

Peter Broder, Corporate Counsel and Director, Regulatory Affairs

Canadian Cancer Society:

Rob Cunningham, Senior Policy Analyst

Imagine Canada:

Teri A. Kirk, Vice-President, Public Policy and Government Relations

Child Care Advocacy Association of Canada:

Monica Lysack, Executive Director

Association of Fundraising Professionals:

Rob Peacock, President

Wellesley Institute:

Michael Shapcott, Senior Fellow in Residence, Public Policy

Mining Association of Canada:

Paul Stothart, Vice President, Economic Affairs

Department of Finance - Saskatchewan:

Hon. Andrew Thomson, Minister, Government of Saskatchewan

Ms. Erin Brady, Analyst, Intergovernmental Affairs

Green Budget Coalition:

Andrew Van Iterson, Program Manager

Canadian Alliance of Student Associations:

Toby White, Government Relations Officer

Wee Watch:

Leslie Wilson, Vice-President, Enriched Home Child Care

Elizabeth B. Kingston
Clerk of the Committee

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 10

Wednesday, June 7, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2004-2005 of the Financial Consumer Agency of Canada.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Yvan Loubier,
Hon. John McCallum,
Hon. John McKay,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Joe Fontana for Massimo Pacetti.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst;
Philippe Bergevin, Analyst.

WITNESSES:

Financial Consumer Agency of Canada:

Jim Callon, Deputy Commissioner;
Bill Knight, Commissioner;
Susan Murray, Director, Consumer Education and Public Affairs.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 10

Wednesday, June 7, 2006

The Standing Committee on Finance met at 3:31 p.m. this day, in Room 269, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Yvan Loubier, Hon. John McCallum, Hon. John McKay, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Hon. Joe Fontana for Massimo Pacetti.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst; Philippe Bergevin, Analyste.

Witnesses: Financial Consumer Agency of Canada: Jim Callon, Deputy Commissioner; Bill Knight, Commissioner; Susan Murray, Director, Consumer Education and Public Affairs.

Pursuant to Standing Order 108(2), the Committee commenced consideration of the Annual Report 2004-2005 of the Financial Consumer Agency of Canada.

The witnesses made statements and answered questions.

At 4:46 p.m., the Committee proceeded to sit *in camera* for the consideration of matters related to Committee Business.

The Chair presented the Third Report from the Subcommittee on Agenda and Procedure which reads as follows:

Your Subcommittee met on Monday June 5, 2006, to consider the business of the Committee and agreed to make the following recommendations:

1. That during its Pre-Budget Consultations the Committee travel across Canada to hold public hearings in the following locations:

Whitehorse, Vancouver, Fort McMurray, Saskatoon, Portage la Prairie;

St. John's, Charlottetown, Quebec City, Toronto; and

Iqaluit.

2. That the theme and questions for the Pre-Budget Consultations be as follows:

POSITIONING CANADA FOR THE FUTURE: MEASURES TO ENSURE OUR PLACE IN A COMPETITIVE WORLD

As legislators think about the future of the nation, one focus is the decisions that must be taken today to ensure that all citizens and all businesses can prosper in the future, a future that is characterized by rapid technological change, the emergence of new trading partners and many other factors that, in many respects, we cannot control. As a small open economy that depends significantly on other countries for our economic health and prosperity, it is important that actions be taken to ensure that:

- our citizens are healthy, have the proper skills and are presented with appropriate incentives to work and to save;
- our businesses have a competitive tax regime, can access markets for their goods and services, and benefit from secure and appropriately priced labour, capital and other production inputs; and
- our nation has the sound infrastructure that is required by citizens who are seeking a high quality of life and businesses that are seeking the ability to move their goods to market, and to provide their services, in a cost-effective and efficient manner.

If Canada is to have a meaningful place in the world of the future, then citizens and businesses – and, by extension, the Canadian economy – must prosper. We must prosper recognizing the constraints we face, not the least of which is an uncertain – and rapidly changing – future. We must be prepared, and we must be proactive. We must constantly strive to adopt the latest technology, to ensure we have the needed skills, to seize market opportunities, to make certain that our tax regimes enable us to attract workers and foreign investment, and to maximize our potential as a nation. And decisions must be taken today to ensure that we are able to do all of those things tomorrow.

1. What specific federal tax and/or program spending measures should be implemented in the upcoming budget to ensure that our citizens are healthy, have the right skills, etc. for their own benefit and for the benefit of their employers?
2. What specific federal tax and/or program spending measures should be implemented in the upcoming budget to ensure that our businesses are competitive?
3. What specific federal tax and/or program spending measures should be implemented to ensure that our nation has the infrastructure required by citizens and businesses?
4. What specific federal actions should be taken to ensure that the government is able to afford the tax and/or spending measures needed to ensure that Canada's citizens and businesses can prosper in the world of the future?

Respectfully submitted,

BRIAN PALLISTER

Chair

It was agreed, — That the Report be amended by striking out the word "Charlottetown" and substituting the word "Halifax".

It was agreed, — That the Report be amended by striking out the word "Iqaluit" .

It was agreed, — That the Report be amended by adding the following after "Canada's citizens and

businesses can prosper in the world of the future?": 3. That the Standing Committee on Finance strike a sub-committee to investigate options and new technologies available to ensure effective and comprehensive e-consultation for the subsequent round of pre-budget consultations.

It was agreed, — That the Third Report of the Sub-Committee on Agenda and Procedure, as amended, be concurred in.

It was agreed, — That, during its consideration of matters pursuant to Standing Order 83.1, the Chair seek the permission of the House to adjourn from place to place within Canada and to permit the broadcasting of its proceedings thereon, and that the necessary staff do accompany the Committee.

It was agreed, — That the Western travel budget in the amount of \$ 221,311 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That the Eastern travel budget in the amount of \$ 142,765 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That the operational budget in the amount of \$ 42,350 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

At 5:26 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/08 4:50 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 11

Monday, June 12, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Yvan Loubier,
Hon. John McKay,
Brian Pallister
and Hon. Garth Turner.

ACTING MEMBERS PRESENT:

Ken Boshcoff for Michael Savage,
David Christopherson for Judy Wasylycia-Leis,
Yasmin Ratansi for Hon. John McCallum,
and Francis Scarpaleggia for Massimo Pacetti.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst;
Philippe Bergevin, Analyst.

House of Commons:

Shaila Anwar, Committee Clerk.

WITNESSES:

Canada Revenue Agency:

William V. Baker, Deputy Commissioner and Chief Operating Officer;

Michel Dorais, Commissioner;

Lysanne Gauvin, Assistant Commissioner, Human Resources Branch;

John Kowalski, Deputy Assistant Commissioner, Compliance Programs Branch;

Stephen O'Connor, Assistant Commissioner, Corporate Strategies and Business Development Branch;

James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch.

Elizabeth B. Kingston
Clerk of the Committee

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Close

MINUTES OF PROCEEDINGS

Meeting No. 11

Monday, June 12, 2006

The Standing Committee on Finance met at 5:04 p.m. this day, in Room 362, East Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Yvan Loubier, Hon. John McKay, Brian Pallister and Hon. Garth Turner.

Acting Members present: Ken Boshcoff for Michael Savage, David Christopherson for Judy Wasylycia-Leis, Yasmin Ratansi for Hon. John McCallum and Francis Scarpaleggia for Massimo Pacetti.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; Philippe Bergevin, Analyst. *House of Commons:* Shaila Anwar, Committee Clerk.

Witnesses: Canada Revenue Agency: William V. Baker, Deputy Commissioner and Chief Operating Officer; Michel Dorais, Commissioner; Lysanne Gauvin, Assistant Commissioner, Human Resources Branch; John Kowalski, Deputy Assistant Commissioner, Compliance Programs Branch; Stephen O'Connor, Assistant Commissioner, Corporate Strategies and Business Development Branch; James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

The witnesses made statements and answered questions.

At 5:58 p.m., Yvan Loubier took the Chair.

At 6:58 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/13 11:20 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister. CPC

Meeting No. 12

Wednesday, June 14, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Hon. Garth Turner.

ACTING MEMBERS PRESENT:

Robert Bouchard for Yvan Loubier,
David Christopherson for Judy Wasylycia-Leis,
and David Sweet for Diane Ablonczy.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Federation of Independant Business:

Garth Whyte, Executive Vice-President;
Corinne Pohlmann, Director, National Affairs;
Lucie Charron, Policy Analyst.

Professional Institute of the Public Service of Canada:

Michèle Demers, President;
Réal Lamarche, President, Audit, Financial and Scientific Group;
Michel Charette, Negotiator.

Public Service Alliance of Canada:

John Gordon, National President;
Betty Bannon, National President, Union of Taxation Employees;
Shane O'Brien, Acting Executive Assistant to the National
President, Union of Taxation Employees.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 12

Wednesday, June 14, 2006

The Standing Committee on Finance met in a televised session at 3:32 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Hon. Garth Turner.

Acting Members present: Robert Bouchard for Yvan Loubier, David Christopherson for Judy Wasylycia-Leis and David Sweet for Diane Ablonczy.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Canadian Federation of Independent Business: Garth Whyte, Executive Vice-President; Corinne Pohlmann, Director, National Affairs; Lucie Charron, Policy Analyst. *Professional Institute of the Public Service of Canada:* Michèle Demers, President; Réal Lamarche, President, Audit, Financial and Scientific Group; Michel Charette, Negotiator. *Public Service Alliance of Canada:* John Gordon, National President; Betty Bannon, National President, Union of Taxation Employees; Shane O'Brien, Acting Executive Assistant to the National President, Union of Taxation Employees.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee resumed consideration of the first five years of the Statutory review of the Act.

The witnesses made statements and answered questions.

At 5:36 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/19 4:30 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 13

Monday, June 19, 2006

ORDER OF THE DAY:

The Committee proceeded to the consideration of matters related to Committee business.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paul Crête for Yvan Loubier.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;

Alexandre Laurin, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General;

Jamie Hood, Principal;

Marian McMahon, Principal.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 13

Monday, June 19, 2006

The Standing Committee on Finance met in a televised session at 3:34 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Paul Crête for Yvan Loubier.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General; Jamie Hood, Principal; Marian McMahon, Principal.

The Committee proceeded to the consideration of matters related to Committee business.

Yvan Loubier moved, — That the Standing Committee on Finance schedule televised sessions to study the Canada-Barbados Tax Treaty and any legislation or regulations directly or indirectly related to the Treaty, when the House returns in the Fall.

That the Committee should hear evidence from the following witnesses and any other individuals or groups who request to appear:

- the former Minister of Finance who oversaw these changes between 1994 and 1998;
- officials from the Department of Finance and the Canada Revenue Agency with expertise in tax treaties, especially with section 30(3) of the Barbados tax treaty and Income Tax Act Regulation 5907 (11.2)(c);
- members of the board of directors of Canada Steamship Lines;
- members of the board of directors of CSL International;
- representatives of the Office of the Auditor General of Canada;
- representatives of ATTAC;
- André Lareau, tax lawyer; .
- Guylaine Leclerc, forensic accountant; and
- Brigitte Alepin, tax expert

That the Committee reserve the right to add witnesses to this list, as deemed relevant to the study; and

That the Committee report and make recommendations to the House of Commons.

At 3:39 p.m., pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

The witnesses made statements and answered questions.

At 5:01 p.m., the Committee sat in public and resumed to the consideration of matters related to Committee business.

Judy Wasylycia-Leis moved, — That the Standing Committee on Finance, pursuant to Standing Order 108(2), recommend to the Minister of Justice to amend the Criminal Code to provide for the exemption of payday loans from Section 347 of the Code in circumstances where provincial regulation of the payday lending industry has been established and a request for such an exemption made.

It was agreed, — That the motion be amended by adding after the words “Standing Order 108(2)” the following: “report to the House, recommending”.

After debate, by unanimous consent, the motion, as amended, was allowed to stand.

The Committee resumed consideration of the motion of Yvan Loubier, — That the Standing Committee on Finance schedule televised sessions to study the Canada-Barbados Tax Treaty and any legislation or regulations directly or indirectly related to the Treaty, when the House returns in the Fall.

That the Committee should hear evidence from the following witnesses and any other individuals or groups who request to appear:

- the former Minister of Finance who oversaw these changes between 1994 and 1998;
- officials from the Department of Finance and the Canada Revenue Agency with expertise in tax treaties, especially with section 30(3) of the Barbados tax treaty and Income Tax Act Regulation 5907 (11.2)(c);
- members of the board of directors of Canada Steamship Lines;
- members of the board of directors of CSL International;
- representatives of the Office of the Auditor General of Canada;
- representatives of ATTAC;
- André Lareau, tax lawyer; .
- Guylaine Leclerc, forensic accountant; and
- Brigitte Alepin, tax expert

That the Committee reserve the right to add witnesses to this list, as deemed relevant to the study.

And that the Committee report and make recommendations to the House of Commons.

The debate continued.

Judy Wasylycia-Leis moved, — That the motion be amended by deleting all the words following "when the House returns in the Fall" and before "as deemed relevant to the study".

John McKay moved, — That the amendment be amended by deleting the words "Canada Barbados Tax Treaty" and by substituting the following:

"all tax treaties to which Canada is a signatory".

The Chair ruled the proposed subamendment inadmissible as it exceeded the scope of the motion, as provided on page 453 of House of Commons Procedure and Practice.

The question was put on the amendment of Judy Wasylycia-Leis and it was agreed to on the following recorded division: YEAS: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Garth Turner, Judy Wasylycia-Leis — 5; NAYS: Paul Crête, Massimo Pacetti, Thierry St-Cyr — 3.

The question was put on the motion, as amended, and it was agreed to on the following recorded division: YEAS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Thierry St-Cyr, Garth Turner, Judy Wasylycia-Leis — 7; NAYS: John McCallum, John McKay, Massimo Pacetti, Michael Savage — 4.

It was agreed, — That pursuant to Standing Orders 108(1) and 108(2) a Subcommittee on New Technologies to be chaired by a member elected by the Subcommittee, be established to investigate options and new technologies available to ensure effective and comprehensive e-consultation for the subsequent round of pre-budget consultations, as may be referred to it by the Committee; that the Subcommittee be composed of (four (4) members or associate members of which one (1) member selected from each political party, to be named following the usual consultation; and that the Subcommittee be empowered to send for persons, papers and records, to receive evidence, and to sit during periods when the House stands adjourned; and

That the Subcommittee be granted all of the powers of the Committee pursuant to Standing Order 108 (1) except the power to report to the House.

At 5:30 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/23 8:44 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 14

Wednesday, June 21, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage
and Hon. Garth Turner.

ACTING MEMBERS PRESENT:

Robert Bouchard for Yvan Loubier,
Robert Carrier for Thierry St-Cyr,
and David Christopherson for Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Philippe Bergevin, Analyst;

Alexandre Laurin, Analyst.
Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Canada Revenue Agency:
William V. Baker, Deputy Commissioner and Chief Operating Officer.

Certified General Accountants Association of Canada:
Everett E. Colby, Chair, Tax and Fiscal Policy Committee.

Canada Revenue Agency:
Michel Dorais, Commissioner;
Lysanne Gauvin, Assistant Commissioner, Human Resources Branch;
Stephen O'Connor, Assistant Commissioner, Corporate Strategies and Business Development Branch.

Certified General Accountants Association of Canada:
Carole Presseault, Vice-President, Government and Regulatory Affairs.

Canada Revenue Agency:
James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 14

Wednesday, June 21, 2006

The Standing Committee on Finance met in a televised session at 3:40 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage and Hon. Garth Turner.

Acting Members present: Robert Bouchard for Yvan Loubier, Robert Carrier for Thierry St-Cyr and David Christopherson for Judy Wasylycia-Leis.

In attendance: Library of Parliament: Philippe Bergevin, Analyst; Alexandre Laurin, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Canada Revenue Agency: William V. Baker, Deputy Commissioner and Chief Operating Officer. *Certified General Accountants Association of Canada:* Everett E. Colby, Chair, Tax and Fiscal Policy Committee. *Canada Revenue Agency:* Michel Dorais, Commissioner; Lysanne Gauvin, Assistant Commissioner, Human Resources Branch; Stephen O'Connor, Assistant Commissioner, Corporate Strategies and Business Development Branch. *Certified General Accountants Association of Canada:* Carole Presseault, Vice-President, Government and Regulatory Affairs. *Canada Revenue Agency:* James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee resumed the study of the first five years of the Statutory review of the Act.

The witnesses made statements and answered questions.

At 5:16 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/06/23 8:44 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 15

Tuesday, September 19, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Patricia Davidson for Dean Del Mastro,
Pierre A. Paquette for Yvan Loubier,
and Alan Tonks for Massimo Pacetti.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.



WITNESSES:

Royal Canadian Legion:

Jack Frost, Dominion (national) President;
Pierre Allard, Director, National Service Bureau.

Philanthropic Foundations Canada:

Hilary Pearson, President .

Assembly of First Nations:

Richard Jock, Chief Executive Officer;
Bob Watts, Chief of Staff, Office of the National Chief.

Canadian Association of Petroleum Producers:

Pierre R. Alvarez, President.

Railway Association of Canada:

Bruce Burrows, Vice President, Public Affairs and Government Relations;
John Lynch, Assistant Vice-President, Taxation - Canadian Pacific Railway.

Sport Matters Group:

Ian Bird, Senior Leader.

Canadian Trucking Alliance:

David Bradley, Chief Executive Officer;
Elly Meister, Vice-President , Public Affairs.

Tourism Industry Association of Canada:

Randy M. Williams, President and Chief Executive Officer;
Christopher Jones, Vice President, Public Affairs.

Friends of Canadian Broadcasting:

Ian Morrison, Spokesperson.

Canadian School Boards Association:

Lance Bean, President.

Hotel Association of Canada:

Anthony P. Pollard, President.

Pauktuutit Inuit Women of Canada:

Jennifer Dickson, Executive Director.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 15

Tuesday, September 19, 2006

The Standing Committee on Finance met in a televised session at 10:08 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Patricia Davidson for Dean Del Mastro, Pierre A. Paquette for Yvan Loubier and Alan Tonks for Massimo Pacetti.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Royal Canadian Legion: Jack Frost, Dominion (national) President; Pierre Allard, Director, National Service Bureau. *Philanthropic Foundations Canada:* Hilary Pearson, President. *Assembly of First Nations:* Richard Jock, Chief Executive Officer; Bob Watts, Chief of Staff, Office of the National Chief. *Canadian Association of Petroleum Producers:* Pierre R. Alvarez, President. *Railway Association of Canada:* Bruce Burrows, Vice President, Public Affairs and Government Relations; John Lynch, Assistant Vice-President, Taxation - Canadian Pacific Railway. *Sport Matters Group:* Ian Bird, Senior Leader. *Canadian Trucking Alliance:* David Bradley, Chief Executive Officer; Elly Meister, Vice-President, Public Affairs. *Tourism Industry Association of Canada:* Randy M. Williams, President and Chief Executive Officer; Christopher Jones, Vice President, Public Affairs. *Friends of Canadian Broadcasting:* Ian Morrison, Spokesperson. *Canadian School Boards Association:* Lance Bean, President. *Hotel Association of Canada:* Anthony P. Pollard, President. *Pauktuutit Inuit Women of Canada:* Jennifer Dickson, Executive Director.

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:31 a.m., the sitting was suspended.

At 11:44 a.m., the sitting resumed.

At 1:01 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/09/26 10:37 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 16

Tuesday, September 19, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Omar Alghabra for Massimo Pacetti,
and Pierre A. Paquette for Yvan Loubier.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Sheena Starky, Analyst.

WITNESSES:

Federation of Medical Women of Canada:
Gail Beck, President-Elect.

Canadian Association of Railway Suppliers:
Glen Fisher, Executive Director.

Canadian Meat Council:
Jim Laws, Executive Director.

Canadian Manufacturers and Exporters:
Jayson Myers, Senior Vice-President and Chief Economist.

Canadian Paediatric Society:
Gary Pেকেles, Executive Director.

Care of the Child Coalition:
Sara Landriault.

Child Care Advocacy Association of Canada:
Monica Lysack, Executive Director.

Air Transport Association of Canada:
Fred Gaspar, Vice President, Policy and Strategic Planning.

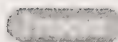
Canadian Federation of Nurses Union:
Linda Silas, President.

Canadian Lung Association:
Nora Sobolov, President and CEO.

Air Canada:
Joseph Galimberti, Director, Government and Community Relations.

Make Poverty History:
Dennis Howlett, Coordinator.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 16

Tuesday, September 19, 2006

The Standing Committee on Finance met in a televised session at 3:41 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Omar Alhabra for Massimo Pacetti and Pierre A. Paquette for Yvan Loubier.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: *Federation of Medical Women of Canada:* Gail Beck, President-Elect. *Canadian Association of Railway Suppliers:* Glen Fisher, Board of Directors. *Canadian Meat Council:* Jim Laws, Executive Director. *Canadian Manufacturers and Exporters:* Jayson Myers, Senior Vice-President and Chief Economist. *Canadian Paediatric Society:* Gary Pেকেles, Executive Director. *Care of the Child Coalition:* Sara Landriault. *Child Care Advocacy Association of Canada:* Monica Lysack, Executive Director. *Air Transport Association of Canada:* Fred Gaspar, Vice-President, Policy and Strategic Planning. *Canadian Federation of Nurses Union:* Linda Silas, President. *Canadian Lung Association:* Nora Sobolov, President and CEO. *Air Canada:* Joseph Galimberti, Director, Government and Community Relations. *Make Poverty History:* Dennis Howlett, Coordinator.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 5:00 p.m., the sitting was suspended.

At 5:04 p.m., the sitting resumed.

At 6:34 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/18 10:41 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 17

Wednesday, September 20, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Nicole Demers for Yvan Loubier.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Child Care Federation:

Yvonne Dionne, Director, Development, Marketing and Communications.

Canadian Mental Health Association:

Judy Watson, Vice-President.

Alliance to End Homelessness:

Mary-Martha Hale, Chair;
Marion Wright, Chair.

University of Montréal:

Luc Vinet, Rector.

Canadian Association of Gift Planners:

Susan Manwaring, Chair, Government Relations Committee.

Association of Canadian Academic Healthcare Organizations:

Glenn Brimacombe, Chief Executive Officer.

National Children's Alliance:

Peter Dudding, Executive Director.

Multiple Sclerosis Society of Canada:

Deanna Groetzinger, National Vice-President, Communications;
Yassemin Cohanin, Volunteer.

Imagine Canada:

Teri A. Kirk, Vice-President, Public Policy and Government Relations.

Canadian Bar Association:

James Parks, Chair, National Charities and Not for Profit Law Section.

Canadian Foundation for Climate and Atmospheric Sciences:

Jacques Derome, Professor, McGill University;
Dawn Conway, Executive Director.

Canadian Pharmacists Association:

Jeff W. Poston, Executive Director.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 17

Wednesday, September 20, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Nicole Demers for Yvan Loubier.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Canadian Child Care Federation: Yvonne Dionne, Director, Development, Marketing and Communications. *Canadian Mental Health Association:* Judy Watson, Vice-President. *Alliance to End Homelessness:* Mary-Martha Hale, Chair; Marion Wright, Chair. *University of Montréal:* Luc Vinet, Rector. *Canadian Association of Gift Planners:* Susan Manwaring, Chair, Government Relations Committee. *Association of Canadian Academic Healthcare Organizations:* Glenn Brimacombe, Chief Executive Officer. *National Children's Alliance:* Peter Dudding, Executive Director. *Multiple Sclerosis Society of Canada:* Deanna Groetzinger, National Vice-President, Communications; Yassemin Cohanim, Volunteer. *Imagine Canada:* Teri A. Kirk, Vice-President, Public Policy and Government Relations. *Canadian Bar Association:* James Parks, Chair, National Charities and Not for Profit Law Section. *Canadian Foundation for Climate and Atmospheric Sciences:* Jacques Derome, Professor, McGill University; Dawn Conway, Executive Director. *Canadian Pharmacists Association:* Jeff W. Poston, Executive Director.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 5:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/18 10:41 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 18

Thursday, September 21, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paul Crête for Thierry St-Cyr,
and Pierre A. Paquette for Yvan Loubier.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst;
Sheena Starky, Analyst.

WITNESSES:

Writers' Union of Canada:

Ron Brown, Chair;
Deborah A. Windsor, Executive Director.

Bell Pensioners' Group:

Pam Went, President.

Health Partners International of Canada:

John P. Kelsall, President.

Business Group for Improved Federal SR & ED Tax Credits:

Nathalie Bourque, Vice-President, Global Communications, CAE Inc..

Canadian Urban Transit Association:

Michael W. Roschlau, President and Chief Executive Officer.

Nunavut Association of Municipalities:

Elisapee Sheutiapik, President;
Lynda Gunn, Chief Executive Officer;
Russell Banta, Consultant.

Canadian Council for International Co operation:

Gerry Barr, President and Chief Executive Officer.

Canadian Space Industry Executives:

John Keating, Chief Executive Officer, COM-DEV.

Business Tax Reform Coalition:

Roger L. Larson, President, Canadian Fertilizer Institute.

Coalition for Canadian Astronomy:

Pekka Sinervo, Co-Chair, Association of Canadian Universities for Research in Astronomy (ACURA) and Dean of Arts and Science, University of Toronto.

Association of Fundraising Professionals:
Rob Peacock, President.

Energy Dialogue Group:
Michael Cleland, President and Chief Executive Officer.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 18

Thursday, September 21, 2006

The Standing Committee on Finance met in a televised session at 10:01 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Paul Crête for Thierry St-Cyr and Pierre A. Paquette for Yvan Loubier.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst; Sheena Starky, Analyst.

Witnesses: Writers' Union of Canada: Ron Brown, Chair; Deborah A. Windsor, Executive Director. *Bell Pensioners' Group:* Pam Went, President. *Health Partners International of Canada:* John P. Kelsall, President. *Business Group for Improved Federal SR & ED Tax Credits:* , Vice-President, Global Communications, CAE Inc.. *Canadian Urban Transit Association:* Michael W. Roschlau, President and Chief Executive Officer. *Nunavut Association of Municipalities:* Elisapee Sheutiapik, President; Lynda Gunn, Chief Executive Officer; Russell Banta, Consultant. *Canadian Council for International Co operation:* Gerry Barr, President and Chief Executive Officer. *Canadian Space Industry Executives:* John Keating, Chief Executive Officer, COM-DEV. *Business Tax Reform Coalition:* Roger L. Larson, President, Canadian Fertilizer Institute. *Coalition for Canadian Astronomy:* Pekka Sinervo, Co-Chair, Association of Canadian Universities for Research in Astronomy (ACURA) and Dean of Arts and Science, University of Toronto. *Association of Fundraising Professionals:* Rob Peacock, President. *Energy Dialogue Group:* Michael Cleland, President and Chief Executive Officer.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:28 a.m., the sitting was suspended.

At 11:41 a.m., the sitting resumed.

At 1:04 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/04 8:25 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 19

Monday, September 25, 2006

ORDER OF THE DAY:

The Clerk of the Committee presided over the election of a Chair.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Louis Plamondon for Thierry St-Cyr,
Yasmin Ratansi for Hon. John McKay,
and Alan Tonks for Michael Savage.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 19

Monday, September 25, 2006

The Standing Committee on Finance met at 12:06 p.m. this day, in Room 253-D, Centre Block, for the purpose of electing a Chair, pursuant to Standing Order 106(1).

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Louis Plamondon for Thierry St-Cyr, Yasmin Ratansi for Hon. John McKay and Alan Tonks for Michael Savage.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

The Clerk of the Committee presided over the election of a Chair.

On motion of Massimo Pacetti, it was agreed, — That Brian Pallister be elected Chair of the Committee.

On motion of Dean Del Mastro, it was agreed, — That Massimo Pacetti be elected as First Vice-Chair of the Committee.

On motion of Louis Plamondon, it was agreed, — That Pierre Paquette be elected Second Vice-Chair of the Committee.

At 1:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/02 10:55 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 20

Monday, September 25, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Charles Hubbard for Michael Savage,
Louis Plamondon for Thierry St-Cyr,
and Yasmin Ratansi for Hon. John McKay.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

National Association of Indigenous Institutes of Higher Learning:
Trevor Lewis, Chair.

Heritage Canada Foundation:
Nathalie Bull, Executive Director.

Canadian Centre for Policy Alternatives:
Ellen Russell, Economist;
Mathieu Dufour, Economist.

Community Foundations of Canada:
Monica Patten, President and Chief Executive Officer.

Canadian Centre for Emergency Preparedness:
Adrian Gordon, President.

Citizens for Public Justice:
Greg deGroot-Maggetti, Analyst, Socio-Economic Policy.

Canadian Dental Hygienists Association:
Bonnie Blank, President.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 20

Monday, September 25, 2006

The Standing Committee on Finance met in a televised session at 12:10 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Hon. Charles Hubbard for Michael Savage, Louis Plamondon for Thierry St-Cyr and Yasmin Ratansi for Hon. John McKay.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: National Association of Indigenous Institutes of Higher Learning: Trevor Lewis, Chair. *Heritage Canada Foundation:* Nathalie Bull, Executive Director. *Canadian Centre for Policy Alternatives:* Ellen Russell, Economist; Mathieu Dufour, Economist. *Community Foundations of Canada:* Monica Patten, President and Chief Executive Officer. *Canadian Centre for Emergency Preparedness:* Adrian Gordon, President. *Citizens for Public Justice:* Greg deGroot-Maggetti, Analyst, Socio-Economic Policy. *Canadian Dental Hygienists Association:* Bonnie Blank, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 12:50 p.m., Massimo Pacetti took the Chair.

At 12:55 p.m., Brian Pallister took the Chair.

At 1:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/04 8:26 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 21

Monday, September 25, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee commenced its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Robert Carrier for Pierre A. Paquette,
Susan Kadis for Hon. John McCallum,
Louis Plamondon for Thierry St-Cyr,
and Alan Tonks for Michael Savage.

IN ATTENDANCE:

Library of Parliament:
Philippe Bergevin, Analyst;
June Dewetering, Principal.

WITNESSES:

National Anti-Poverty Organization:
Debbie Frost, President.

Canadian Renewable Fuels Association:
Kory Teneycke, Executive Director.

Canadian Labour Congress:
Andrew Jackson, Senior Economist.

Juvenile Diabetes Research Foundation of Canada:
Robert Hindle, Member of the Board of Directors.

Police Association of Ontario:
Bruce Miller, Administrator.

American Federation of Musicians of the United States and Canada:
Paul Sharpe, Director, Freelance Services Division.

Provincial Building and Construction Trades Council of Ontario:
Brett McKenzie, Executive Chairman, IBEW Construction Council of Ontario.

International Association of Fire Fighters:
Jim Lee, Assistant to the General President, Canadian Operations.

Canadian Home Builders' Association:
David Wassmansdorf, Immediate Past President;
Richard Lind, First Vice-President.

Intuit Canada:
Yves Millette, President & Chief Executive Officer.

Canadian Institute of Chartered Accountants:
Kevin Dancey, President and Chief Executive Officer.

Canadian Teachers' Federation:
Harvey Weiner, Policy Advisor, Government and External Relations.

Canadian Construction Association:
Michael Atkinson, President.

Heart and Stroke Foundation of Canada:
Sally Brown, Chief Executive Officer.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 21

Monday, September 25, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Robert Carrier for Pierre A. Paquette, Susan Kadis for Hon. John McCallum, Louis Plamondon for Thierry St-Cyr and Alan Tonks for Michael Savage.

In attendance: Library of Parliament: Philippe Bergevin, Analyst; June Dewetering, Principal.

Witnesses: National Anti-Poverty Organization: Debbie Frost, President. *Canadian Renewable Fuels Association:* Kory Teneycke, Executive Director. *Canadian Labour Congress:* Andrew Jackson, Senior Economist. *Juvenile Diabetes Research Foundation of Canada:* Robert Hindle, Member of the Board of Directors. *Police Association of Ontario:* Bruce Miller, Administrator. *American Federation of Musicians of the United States and Canada:* Paul Sharpe, Director, Freelance Services Division. *Provincial Building and Construction Trades Council of Ontario:* Brett McKenzie, Executive Chairman, IBEW Construction Council of Ontario. *International Association of Fire Fighters:* Jim Lee, Assistant to the General President, Canadian Operations. *Canadian Home Builders' Association:* David Wassmansdorf, Immediate Past President; Richard Lind, First Vice President. *Intuit Canada:* Yves Millette, President & Chief Executive Officer. *Canadian Institute of Chartered Accountants:* Kevin Dancey, President and Chief Executive Officer. *Canadian Teachers' Federation:* Harvey Weiner, Policy Advisor, Government and External Relations. *Canadian Construction Association:* Michael Atkinson, President. *Heart and Stroke Foundation of Canada:* Sally Brown, Chief Executive Officer.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 4:56 p.m., the sitting was suspended.

At 5:01 p.m., the sitting resumed.

At 6:30 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/04 8:26 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 22

Tuesday, September 26, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Sheena Starky, Analyst.

WITNESSES:

Natural Sciences and Engineering Research Council of Canada:
Suzanne Fortier, President.

Society of Obstetricians and Gynaecologists of Canada:
Donald Davis, President;
André Lalonde, Executive Vice-President.

REAL Women of Canada:
Diane Watts, Researcher.

Association of Canadian Community Colleges:
Gerald Brown, President.

Canadian Library Association:
Linda Cook, President.

BIOTECanada:
Peter Brenders, President and Chief Executive Officer.

Partnership Group for Science and Engineering:
Ian Rutherford, Executive Director, Canadian Meteorological and
Oceanographic Society.

Canadian Federation of Independent Business:
Catherine Swift, President and Chief Executive Officer;
Garth Whyte, Executive Vice President .

Research Canada: An Alliance for Health Discovery:
Ronald Worton, Chair.

Canadian Healthcare Association:
Sharon Sholzberg-Gray, President and Chief Executive Officer.

Canadian Chemical Producers Association:
Richard Paton, President and Chief Executive Officer.

Canadian Association of Retired Teachers:
Helen Biales, Vice-President;
Pierre Drouin, Executive Director.

University of Ottawa:
Gilles Patry, President and Vice-Chancellor.



MINUTES OF PROCEEDINGS

Meeting No. 22

Tuesday, September 26, 2006

The Standing Committee on Finance met in a televised session at 10:01 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: Natural Sciences and Engineering Research Council of Canada: Suzanne Fortier, President. *Society of Obstetricians and Gynaecologists of Canada:* Donald Davis, President; André Lalonde, Executive Vice-President. *REAL Women of Canada:* Diane Watts, Researcher. *Association of Canadian Community Colleges:* Gerald Brown, President. *Canadian Library Association:* Linda Cook, President. *BIOTEC Canada:* Peter Brenders, President and Chief Executive Officer. *Partnership Group for Science and Engineering:* Ian Rutherford, Executive Director, Canadian Meteorological and Oceanographic Society. *Canadian Federation of Independent Business:* Catherine Swift, President and Chief Executive Officer; Garth Whyte, Executive Vice President. *Research Canada: An Alliance for Health Discovery:* Ronald Worton, Chair. *Canadian Healthcare Association:* Sharon Sholzberg-Gray, President and Chief Executive Officer. *Canadian Chemical Producers Association:* Richard Paton, President and Chief Executive Officer. *Canadian Association of Retired Teachers:* Helen Biales, Vice-President; Pierre Drouin, Executive Director. *University of Ottawa:* Gilles Patry, President and Vice-Chancellor. *Canadian Chamber of Commerce:* Nancy Hughes Anthony, President and Chief Executive Officer; Michael Murphy, Executive Vice-President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:30 a.m., the sitting was suspended.

At 11:40 a.m., the sitting resumed.

At 11:40 a.m., Massimo Pacetti took the Chair.

At 11:56 a.m., Brian Pallister took the Chair.

At 1:01 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

Canadian Chamber of Commerce:

Nancy Hughes Anthony, President and Chief Executive Officer;
Michael Murphy, Executive Vice-President.

Elizabeth B. Kingston
Clerk of the Committee

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 23

Tuesday, September 26, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Dennis Bevington for Judy Wasylycia-Leis,
and Paul Crête for Pierre A. Paquette.

OTHER MEMBERS PRESENT:

Ken Boshcoff.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

WITNESSES:

Ducks Unlimited Canada:

Cynthia Edwards, National Manager;
Barry Turner, Director, Government Relations.

Canadian Coalition for Immunization Awareness and Promotion:

Ian Gemmill, Co-Chair;
Mary Appleton, Senior Manager.

Canadian Association of Mutual Insurance Companies:

Normand Lafrenière, President.

Association of Labour Sponsored Investment Funds:

Les Lyall, President.

Canadian Automobile Dealers Association:

Richard C. Gauthier, President.

Association of Municipalities of Ontario:

Doug Reycraft, President.

Canadian Activists for Pension Splitting:

Frank E. Stokes, President.

As an Individual:

Jeremy Amott, Independent Insurance Broker, Life Insurance.

Canadian Museums Association:

John G. McAvity, Executive Director;
Calvin White, Chairman.

National Association of Friendship Centres:

Peter Dinsdale, Executive Director.

Canadian Alliance of Student Associations:

Phillippe Ouellette, National Director;
Toby White, Government Relations Officer.

Health Charities Coalition of Canada:
Deirdre Freiheit, Executive Director;
Wim Wolfs, Chair.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 23

Tuesday, September 26, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Dennis Bevington for Judy Wasylycia-Leis and Paul Crête for Pierre A. Paquette.

Other Members present: Ken Boshcoff.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: Ducks Unlimited Canada: Cynthia Edwards, National Manager; Barry Turner, Director, Government Relations. *Canadian Coalition for Immunization Awareness and Promotion:* Ian Gemmill, Co-Chair; Mary Appleton, Senior Manager. *Canadian Association of Mutual Insurance Companies:* Normand Lafrenière, President. *Association of Labour Sponsored Investment Funds:* Les Lyall, President. *Canadian Automobile Dealers Association:* Richard C. Gauthier, President. *Association of Municipalities of Ontario:* Doug Reycraft, President. *Canadian Activists for Pension Splitting:* Frank E. Stokes, President. *As an individual:* Jeremy Amott, Independent Insurance Broker, Life Insurance. *Canadian Museums Association:* John G. McAvity, Executive Director; Calvin White, Chairman. *National Association of Friendship Centres:* Peter Dinsdale, Executive Director. *Canadian Alliance of Student Associations:* Phillippe Ouellette, National Director; Toby White, Government Relations Officer. *Health Charities Coalition of Canada:* Deirdre Freiheit, Executive Director; Wim Wolfs, Chair.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 5:09 p.m., Massimo Pacetti took the Chair.

At 6:29 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/04 8:31 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 24

Wednesday, September 27, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:

Philippe Bergevin, Analyst;
Alexandre Laurin, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

National Council for Graduate Studies:

Philippe-Olivier Giroux, President, Quebec Federation of University Students.

Canadian Automobile Association:

David Flewelling, President.

Canadian Medical Association:

Colin McMillan, President;
William Tholl, Secretary General and Chief Executive Officer.

Canada Foundation for Innovation:

Eliot A. Phillipson, President and Chief Executive Officer.

Canadian Consortium for Research:

Roland Andersson, Chair.

Canadian Immigrant Settlement Sector Alliance (CISSA):

Wai Young, Executive Director.

Makivik Corporation:

Nancy Maloley, Treasurer;
Adamie Alaku, Vice-President.

Northern Alberta Institute of Technology:

William A. Shaw, President.

Polytechnics Canada:

Sharon E. Maloney, Executive Director.

Canadian Association of University Teachers:

James Turk, Executive Director.

Association of Universities and Colleges of Canada:

Claire Morris, President and Chief Executive Officer.

Canadian Association of Science Centres:

Tracy Ross, Executive Director.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 24

Wednesday, September 27, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Philippe Bergevin, Analyst; Alexandre Laurin, Analyst.

Witnesses: National Council for Graduate Studies: Philippe-Olivier Giroux, President, Quebec Federation of University Students. *Canadian Automobile Association:* David Flewelling, President. *Canadian Medical Association:* Colin McMillan, President; William Tholl, Secretary General and Chief Executive Officer. *Canada Foundation for Innovation:* Eliot A. Phillipson, President and Chief Executive Officer. *Canadian Consortium for Research:* Roland Andersson, Chair. *Canadian Immigrant Settlement Sector Alliance (CISSA):* Wai Young, Executive Director. *Makivik Corporation:* Nancy Maloley, Treasurer; Adamie Alaku, Vice-President. *Northern Alberta Institute of Technology:* William A. Shaw, President. *Polytechnics Canada:* Sharon E. Maloney, Executive Director. *Canadian Association of University Teachers:* James Turk, Executive Director. *Association of Universities and Colleges of Canada:* Claire Morris, President and Chief Executive Officer. *Canadian Association of Science Centres:* Tracy Ross, Executive Director.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 5:40 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/04 8:32 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 25

Thursday, September 28, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:

Philippe Bergevin, Analyst;
Alexandre Laurin, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Canadian Conference of the Arts :
Robert Spickler, President;
Alain Pineau, National Director.

Nunavut Tunngavik Incorporated:
Joanasie Akumalik, Director;
Alastair Campbell, Director.

Canadian Union of Public Employees:
Paul Moist, National President.

Canada Millennium Scholarship Foundation:
Norman Riddell, Executive Director and Chief Executive Officer.

RESP Dealers Association of Canada:
Peter Lewis, Chair, Government Relations.

Canadian Public Health Association:
Elinor Wilson, Chief Executive Officer.

Canadian Institutes of Health Research:
Alan Bernstein, President.

Canadian Bankers Association:
Luc Vanneste, President, Financial Affairs Committee and
Executive Vice-President and Chief Financial Officer, Bank of
Nova Scotia .

Canadian Institute of Actuaries:
Michael Hale, Chair, Member Services Council.

Road and Infrastructure Program of Canada (The):
Jeff Morrison, Executive Director.

Canadian Federation of Students - National Office:
Amanda Aziz.

Canadian Association for Graduate Studies:
Mark Dale, Dean of Graduate Studies, University of Alberta.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 25

Thursday, September 28, 2006

The Standing Committee on Finance met in a televised session at 10:03 a.m. this day, in Room 269, West Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Philippe Bergevin, Analyst; Alexandre Laurin, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Canadian Conference of the Arts : Robert Spickler, President; Alain Pineau, National Director. *Nunavut Tunngavik Incorporated:* Joanase Akumalik, Director; Alastair Campbell, Director. *Canadian Union of Public Employees:* Paul Moist, National President. *Canada Millennium Scholarship Foundation:* Norman Riddell, Executive Director and Chief Executive Officer. *RESP Dealers Association of Canada:* Peter Lewis, Chair, Government Relations. *Canadian Public Health Association:* Elinor Wilson, Chief Executive Officer. *Canadian Institutes of Health Research:* Alan Bernstein, President. *Canadian Bankers Association:* Luc Vanneste, President, Financial Affairs Committee and Executive Vice-President and Chief Financial Officer, Bank of Nova Scotia . *Canadian Institute of Actuaries:* Michael Hale, Chair, Member Services Council. *Road and Infrastructure Program of Canada (The):* Jeff Morrison, Executive Director. *Canadian Federation of Students - National Office:* Amanda Aziz. *Canadian Association for Graduate Studies:* Mark Dale, Dean of Graduate Studies, University of Alberta.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:31 a.m., the sitting was suspended.

At 11:35 a.m., the sitting resumed.

At 12:59 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:38 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 26

Monday, October 2, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Larry Bagnell for Hon. John McKay,
and Mike Wallace for Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

City of Fort St. John:

Jim Eglinski, Mayor.

Council of Yukon First Nations:

Andy Carvill.

Yukon Conservation Society:

Karen Baltgailis, Executive Director;

Lewis Rifkind, Energy Coordinator.

Tourism Industry Association of the Yukon:

Rod Taylor, President.

Northern Native Broadcasting, Yukon:

Shirley Adamson, Chief Executive Officer;

James Stanley, Chairman, Board of Directors.

Yukon College:

Stu Mackay, Dean , Professional Studies.

Yukon Childcare Association:

Debbie Throssell, Conference Coordinator.

Yukon Literacy Coalition:

Sierra van der Meer, Communication Coordinator.

Canadian IPY National Committee:

Ian Church, Chair.

Yukon Historical and Museums Association:

Rebecca Jansen, Executive Director.

Yukon Council on Aging:

Roberta Morgan, President.

Association of Yukon Communities:

Doug Graham, President.

MacBride Museum:

Patricia Cuning, Executive Director.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 26

Monday, October 2, 2006

The Standing Committee on Finance met at 9:30 a.m. this day, in the Suite "A", Auberge High Country Inn, Whitehorse, Yukon, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Massimo Pacetti, Brian Pallister, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Hon. Larry Bagnell for Hon. John McKay and Mike Wallace for Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: City of Fort St. John: Jim Eglinski, Mayor. *Council of Yukon First Nations:* Andy Carvill. *Yukon Conservation Society:* Karen Baltgailis, Executive Director; Lewis Rifkind, Energy Coordinator. *Tourism Industry Association of the Yukon:* Rod Taylor, President. *Northern Native Broadcasting, Yukon:* Shirley Adamson, Chief Executive Officer; James Stanley, Chairman, Board of Directors. *Yukon College:* Stu Mackay, Dean, Professional Studies. *Yukon Childcare Association:* Debbie Throssell, Conference Coordinator. *Yukon Literacy Coalition:* Sierra van der Meer, Communication Coordinator. *Canadian IPY National Committee:* Ian Church, Chair. *Yukon Historical and Museums Association:* Rebecca Jansen, Executive Director. *Yukon Council on Aging:* Roberta Morgan, President. *Association of Yukon Communities:* Doug Graham, President. *MacBride Museum:* Patricia Cuning, Executive Director.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

It was agreed, — That the full brief of the Northern Native Broadcasting, Yukon be entered as evidence for this meeting.

By unanimous consent, it was agreed, — That briefs be allowed to be distributed in English for purposes of this meeting only.

At 10:54 a.m., the sitting was suspended.

At 11:00 a.m., the sitting resumed.

At 12:29 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:40 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 27

Tuesday, October 3, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Mike Wallace for Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Sheena Starky, Analyst.
Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Human Early Learning Partnership:

Paul Kershaw.

Alma Mater Society of the University of British Columbia:

Ian Patillo, Vice-President, External.

British Columbia Alliance for Accountable Mental Health and Addictions Services:

Michael Clague, Executive Coordinator.

British Columbia Chamber of Commerce:

John Garson, President and Chief Executive Officer.

British Columbia Real Estate Association:

Janet Cunningham.

New Media BC:

Lynda Brown, President.

Planned Lifetime Advocacy Network:

Susan Whittaker, Chair;

Jack Styan, Executive Director.

Greater Vancouver Transportation Authority:

Robert Paddon, Vice-President, Corporate and Public Affairs.

Coalition of Child Care Advocates of British Columbia:

Sharon Gregson, Chairperson.

Kids First Parent Association of Canada:

Helen Ward, President.

Vancouver Board of Trade:

Janette Pantry, Director;

Dave Park, Assistant Managing Director and Chief Economist.

Greater Vancouver Regional District:

Verna Semotuk, Senior Planner, Policy and Planning Department.

GrowthWorks Capital Ltd.:

David Levi, President and Chief Executive Officer.

Fraser Valley KAIROS Group:

Kim Brandt, Representative.

Canadian Manufacturers and Exporters - BC Division:

Werner Knittel, Vice-President, B.C. Division.

Prince Rupert Port Authority:

Don Krusel, President and Chief Executive Officer.

Indian Taxation Advisory Board:

Manny Jules, Chairman.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 27

Tuesday, October 3, 2006

The Standing Committee on Finance met at 9:02 a.m. this day, in the Ballroom Plaza A & B, Hyatt Regency Hotel, Vancouver, British Columbia, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Mike Wallace for Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Human Early Learning Partnership: Paul Kershaw. *Alma Mater Society of the University of British Columbia:* Ian Patillo, Vice-President, External. *British Columbia Alliance for Accountable Mental Health and Addictions Services:* Michael Clague, Executive Coordinator. *British Columbia Chamber of Commerce:* John Garson, President and Chief Executive Officer. *British Columbia Real Estate Association:* Janet Cunningham. *New Media BC:* Lynda Brown, President. *Planned Lifetime Advocacy Network:* Susan Whittaker, Chair; Jack Styan, Executive Director. *Greater Vancouver Transportation Authority:* Robert Paddon, Vice-President, Corporate and Public Affairs. *Coalition of Child Care Advocates of British Columbia:* Sharon Gregson, Chairperson. *Kids First Parent Association of Canada:* Helen Ward, President. *Vancouver Board of Trade:* Janette Pantry, Director; Dave Park, Assistant Managing Director and Chief Economist. *Greater Vancouver Regional District:* Verna Semotuk, Senior Planner, Policy and Planning Department. *GrowthWorks Capital Ltd.:* David Levi, President and Chief Executive Officer. *Fraser Valley KAIROS Group:* Kim Brandt, Representative. *Canadian Manufacturers and Exporters - BC Division:* Werner Knittel, Vice-President, B.C. Division. *Prince Rupert Port Authority:* Don Krusel, President and Chief Executive Officer. *Indian Taxation Advisory Board:* Manny Jules, Chairman.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:31 a.m., the sitting was suspended.

At 10:38 a.m., the sitting resumed.

At 12:05 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 28

Tuesday, October 3, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Mike Wallace for Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;

Sheena Starky, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Forest Products Association of Canada:

Avrim Lazar, President and Chief Executive Officer.

BC Child Care Advocacy Forum:

Rita Chudnovsky, Facilitator.

First Call: BC Child and Youth Advocacy Coalition:

Michael Goldberg, Chairperson.

Hydrogen and Fuel Cells Canada:

John Tak, President and Chief Executive Officer.

Muscular Dystrophy Canada:

Ken M. Kramer, Chair.

British Columbia Council for International Cooperation:

Michael Loo.

Tenants' Rights Action Coalition:

Martha J. Lewis, Executive Director.

Results Canada:

Blaise Salmon, President .

Genome British Columbia:

Alan Winter, President.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 28

Tuesday, October 3, 2006

The Standing Committee on Finance met at 1:02 p.m. this day, in the Plaza A & B Ballroom, Hyatt Regency Hotel, Vancouver, British Columbia, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Mike Wallace for Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Forest Products Association of Canada: Avrim Lazar, President and Chief Executive Officer. *BC Child Care Advocacy Forum:* Rita Chudnovsky, Facilitator. *First Call: BC Child and Youth Advocacy Coalition:* Michael Goldberg, Chairperson. *Hydrogen and Fuel Cells Canada:* John Tak, President and Chief Executive Officer. *Muscular Dystrophy Canada:* Ken M. Kramer, Chair. *British Columbia Council for International Cooperation:* Michael Loo. *Tenants' Rights Action Coalition:* Martha J. Lewis, Executive Director. *Results Canada:* Blaise Salmon, President. *Genome British Columbia:* Alan Winter, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 2:30 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:43 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 29

Wednesday, October 4, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Mike Wallace for Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Alberta Association of Colleges and Technical Institutes:

Sam Shaw, President, Northern Alberta Institute of Technology;
Doug MacRae, Executive Director.

Canadian Booksellers Association:

Steve Budnarchuk, President.

Regional Municipality of Wood Buffalo:

Melissa Blake, Mayor.

Fitness Industry Canada:

David Hardy, President.

Northern Lights Health Region:

Bernie Blais, Chief Executive Officer.

Telus World Science-Calgary:

Bill Peters, President.

Mothers on the Rampage:

Beverley Smith, President.

University of Alberta:

Indira Samarasekera, President.

Fort McMurray Chamber of Commerce:

Mike Allen, President. —

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 29

Wednesday, October 4, 2006

The Standing Committee on Finance met at 9:00 a.m. this day, in the Athabasca Room, Stonebridge Hotel, Fort McMurray, Alberta, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Mike Wallace for Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Alberta Association of Colleges and Technical Institutes: Sam Shaw, President, Northern Alberta Institute of Technology; Doug MacRae, Executive Director. *Canadian Booksellers Association:* Steve Budnarchuk, President. *Regional Municipality of Wood Buffalo:* Melissa Blake, Mayor. *Fitness Industry Canada:* David Hardy, President. *Northern Lights Health Region:* Bernie Blais, Chief Executive Officer. *Telus World Science-Calgary:* Bill Peters, President. *Mothers on the Rampage:* Beverley Smith, President. *University of Alberta:* Indira Samarasekera, President. *Fort McMurray Chamber of Commerce:* Mike Allen, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:29 a.m., the sitting was suspended.

At 10:35 a.m., the sitting resumed.

At 11:22 a.m., Massimo Pacetti took the Chair.

At 11:26 a.m., Brian Pallister took the Chair.

At 11:58 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:45 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 30

Thursday, October 5, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Mike Wallace for Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Sheena Starky, Analyst.
Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Regina Airport Authority:

Rob Slinger, Chief Executive Officer.

Saskatchewan Association of Rural Municipalities:

David Marit, President.

Council of CEOs of Saskatchewan's Regional Colleges:

Bryan Nylander, President and Chief Executive Officer, North West Regional College.

Saskatchewan Union of Nurses:

Marlene Brown, First Vice-President.

Genome Prairie:

Lisa Jategaonkar, Director of Communications.

Saskatchewan Chamber of Commerce:

Colin Taylor, Co-Chair, Investment and Growth Committee.

Canadian Nurses Association:

Marlene Smadu, President.

Canadian Fertilizer Institute:

Clyde Graham, Vice-President, Strategy and Alliances.

Saskatchewan Council for International Cooperation:

Hamid Javed, Chair, Board of Directors.

Federation of Canadian Municipalities:

Gord Steeves, First Vice-President, Councillor, City of Winnipeg;
James Knight, Chief Executive Officer.

Canada West Equipment Dealers Association:

John Schmeiser, Executive Vice-President.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 30

Thursday, October 5, 2006

The Standing Committee on Finance met at 9:00 a.m. this day, in the Ballroom, Hilton Garden Inn, Saskatoon, Saskatchewan, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Mike Wallace for Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Regina Airport Authority: Rob Slinger, Chief Executive Officer. *Saskatchewan Association of Rural Municipalities:* David Marit, President. *Council of CEOs of Saskatchewan's Regional Colleges:* Bryan Nylander, President and Chief Executive Officer, North West Regional College. *Saskatchewan Union of Nurses:* Marlene Brown, First Vice-President. *Genome Prairie:* Lisa Jategaonkar, Director of Communications. *Saskatchewan Chamber of Commerce:* Colin Taylor, Co-Chair, Investment and Growth Committee. *Canadian Nurses Association:* Marlene Smadu, President. *Canadian Fertilizer Institute:* Clyde Graham, Vice-President, Strategy and Alliances. *Saskatchewan Council for International Cooperation:* Hamid Javed, Chair, Board of Directors. *Federation of Canadian Municipalities:* Gord Steeves, First Vice-President, Councillor, City of Winnipeg; James Knight, Chief Executive Officer. *Canada West Equipment Dealers Association:* John Schmeiser, Executive Vice-President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:27 a.m., the sitting was suspended.

At 10:33 a.m., the sitting resumed.

At 11:59 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:46 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 31

Friday, October 6, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Merv Tweed for Diane Ablonczy.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

University of Winnipeg:

Hon. Lloyd Axworthy, President and Vice-Chancellor.

University of Manitoba:

Emőke J.E. Szathmáry, President and Vice-Chancellor.

Red River College:

Jeff Zabudsky, President.

Manitoba Chambers of Commerce:

Graham Starmer, President.

Association of Manitoba Municipalities:

Lorne Boguski, Urban Vice-President.

Brandon University:

Louis P. Visentin, President and Vice-Chancellor.

Winnipeg Chamber of Commerce:

Trevor Sprague, Chairman.

Child Care Advocacy Association of Canada:

Donna Riddell, Manitoba.

SpeciaLink:

Debra Mayer, Project Manager.

Child Care Coalition of Manitoba:

Susan Prentice, Member, Steering Committee.

Manitoba Child Care Association:

Karen Ohlson, President.

Lourdéon Wellness Centre:

Paul Cenerini.

Social Planning Council of Winnipeg:

Sid Frankel, Member.

Manitoba Government and General Employees Union:

Gay Pagan, Organizer.

ENSIS Growth Fund Inc.:

O. Ken Bicknell, Vice-President.

Manitoba Hotel Association:

Leo Ledohowski, President and Chief Executive Officer.

Canadian Mental Health Association - Central (Manitoba) Region:

Don Boddy, President, CMHA - Central.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 31

Friday, October 6, 2006

The Standing Committee on Finance met at 9:02 a.m. this day, in the Ambassador A Room, Canad Inns Portage la Prairie Hotel, PORTAGE LA PRAIRIE, Manitoba, the Chair, Brian Pallister, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Merv Tweed for Diane Ablonczy.

In attendance: Library of Parliament: June Dewetering, Principal; Sheena Starky, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: University of Winnipeg: Hon. Lloyd Axworthy, President and Vice-Chancellor. *University of Manitoba:* Emőke J.E. Szathmáry, President and Vice-Chancellor. *Red River College:* Jeff Zabudsky, President. *Association of Manitoba Municipalities:* Lorne Boguski, Urban Vice-President. *Brandon University:* Louis P. Visentin, President and Vice-Chancellor. *Winnipeg Chamber of Commerce:* Trevor Sprague, Chairman. *Child Care Advocacy Association of Canada:* Donna Riddell, Manitoba. *SpecialLink:* Debra Mayer, Project Manager. *Child Care Coalition of Manitoba:* Susan Prentice, Member, Steering Committee. *Manitoba Child Care Association:* Karen Ohlson, President. *Lourdéon Wellness Centre:* Paul Cenerini. *Social Planning Council of Winnipeg:* Sid Frankel, Member. *Manitoba Government and General Employees Union:* Gay Pagan, Organizer. *ENSIS Growth Fund Inc.:* O. Ken Bicknell, Vice-President. *Manitoba Hotel Association:* Leo Ledohowski, President and Chief Executive Officer. *Canadian Mental Health Association - Central (Manitoba) Region:* Don Boddy, President, CMHA - Central.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:31 a.m., the sitting was suspended.

At 10:39 a.m., the sitting resumed.

At 12:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/13 10:47 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 32

Monday, October 16, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The Committee proceeded to the consideration of matters related to Committee business.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paul Crête for Pierre A. Paquette.

IN ATTENDANCE:

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

June Dewetering, Principal;

Sheena Starky, Analyst.

WITNESSES:

ACTRA - National:

Barry Blake, National Councillor.

United Steelworkers:

Ken Delaney, Research Department.

Green Budget Coalition:

Andrew Van Iterson, Program Manager.

As an Individual:

Daniel Brant.

Purchasing Management Association of Canada:

Robert W. Dye, President.

Canadian Federation for the Humanities and Social Sciences:

Donald Fisher, President.

Chronic Disease Prevention Alliance of Canada:

Jean Harvey, Interim Executive Director.

Canadian Federation of Agriculture:

Bob Friesen, President.

Retail Council of Canada:

Peter Woolford, Vice-President, Policy Development and Research.

Certified Management Accountants of Canada:

Michael Tinkler, Vice-Chair, Board of Directors.

Canadian Electricity Association:

Hans Konow, President and Chief Executive Officer.

Canadian Retail Building Supply Council:

David Campbell, President, Canadian Lumber and Building
Materials Association of Ontario.

Canadian Dental Association:

Andrew Jones, Director, Corporate and Government Relations.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 32

Monday, October 16, 2006

The Standing Committee on Finance met in a televised session at 10:01 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Paul Crête for Pierre A. Paquette.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: ACTRA - National: Barry Blake, National Councillor. *United Steelworkers:* Ken Delaney, Research Department. *Green Budget Coalition:* Andrew Van Iterson, Program Manager. *As an individual:* Daniel Brant. *Purchasing Management Association of Canada:* Robert W. Dye, President. *Canadian Federation for the Humanities and Social Sciences:* Donald Fisher, President. *Chronic Disease Prevention Alliance of Canada:* Jean Harvey, Interim Executive Director. *Canadian Federation of Agriculture:* Bob Friesen, President. *Retail Council of Canada:* Peter Woolford, Vice-President, Policy Development and Research. *Certified Management Accountants of Canada:* Michael Tinkler, Vice-Chair, Board of Directors. *Canadian Electricity Association:* Hans Konow, President and Chief Executive Officer. *Canadian Retail Building Supply Council:* David Campbell, President, Canadian Lumber and Building Materials Association of Ontario. *Canadian Dental Association:* Andrew Jones, Director, Corporate and Government Relations.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:26 a.m. the Committee proceeded to the consideration of matters related to Committee business.

On motion of Michael Savage, it was agreed, — That the draft report be adopted.

On motion of Michael Savage, it was agreed, — That the Chair present the report to the House.

At 11:29 a.m., the sitting was suspended.

At 11:38 a.m., the sitting resumed.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

At 11:53 a.m., Massimo Pacetti took the Chair.

The witnesses made statements and answered questions.

At 12:10 p.m., Brian Pallister took the Chair.

At 1:00 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/27 2:04 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 33

Monday, October 16, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paul Crête for Pierre A. Paquette.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

WITNESSES:

Canadian Council of Professional Engineers:
Marie Lemay, Chief Executive Officer.

Association of Consulting Engineers of Canada:
Claude Paul Boivin, President, National Office.

Enbridge Inc.:
Chuck Szmurlo, Vice-President, Energy Technology and Business Development.

Grape Growers of Ontario:
Debbie Zimmerman, Chief Executive Officer, Canadian Horticultural Council.

Action Canada for Population and Development:
Dina Epale, Public Affairs Officer.

David Suzuki Foundation:
Pierre Sadik, Sustainability Specialist.

Association of Canadian Publishers:
Jack Wayne, President, Canadian Scholars' Press Inc..

Horse Racing Tax Alliance of Canada:
Michael Van Every, Chair.

Canadian Housing and Renewal Association:
Sharon Chisholm, Executive Director.

Insurance Bureau of Canada:
Mark Yakabuski, Vice-President, Government Relations, Ottawa and General Manager.

Canadian Association of Fire Chiefs:
Donald F. Warden, Fire Chief, Wasaga Beach.

Dystonia Medical Research Foundation Canada:
Sarah Smith, National Director.

Canadian Health Food Association:
Valerie Bell, President.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 33

Monday, October 16, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Paul Crête for Pierre A. Paquette.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: Canadian Council of Professional Engineers: Marie Lemay, Chief Executive Officer. *Association of Consulting Engineers of Canada:* Claude Paul Boivin, President, National Office. *Enbridge Inc.:* Chuck Szmurlo, Vice-President, Energy Technology and Business Development. *Grape Growers of Ontario:* Debbie Zimmerman, Chief Executive Officer, Canadian Horticultural Council. *Action Canada for Population and Development:* Dina Epale, Public Affairs Officer. *David Suzuki Foundation:* Pierre Sadik, Sustainability Specialist. *Association of Canadian Publishers:* Jack Wayne, President, Canadian Scholars' Press Inc.. *Horse Racing Tax Alliance of Canada:* Michael Van Every, Chair. *Canadian Housing and Renewal Association:* Sharon Chisholm, Executive Director. *Insurance Bureau of Canada:* Mark Yakabuski, Vice-President, Government Relations, Ottawa and General Manager. *Canadian Association of Fire Chiefs:* Donald F. Warden, Fire Chief, Wasaga Beach. *Dystonia Medical Research Foundation Canada:* Sarah Smith, National Director. *Canadian Health Food Association:* Valerie Bell, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 4:56 p.m., the sitting was suspended.

At 5:02 p.m., the sitting resumed.

At 6:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/19 4:50 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 34

Tuesday, October 17, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

National Council of Welfare:

John Murphy, Chair.

Conseil canadien de la coopération:

Michel Rouleau, Chair of the Board.

Canadian Worker Co-operative Federation:

Mark Goldblatt, President.

Canada's Association for the Fifty-Plus:

Judy Cutler, Director, Government and Media Relations;

William Gleberzon, Director, Government Relations.

Canadian Alliance on Mental Illness and Mental Health:

Phil Upshall, National Executive Director.

Aboriginal Institutes' Consortium:

Lu Ann Hill, Executive Director.

Ontario Museum Association:

Gilles Séguin, Board Member.

Ottawa Centre for Research and Innovation:

Jeffrey Dale, President and Chief Executive Officer.

Co-operative Housing Federation of Canada:

Ken Elliott, President.

ABC CANADA Literacy Foundation:

Margaret Eaton, President.

Investment Funds Institute of Canada:

Jamie Golombek, Chair, Taxation Working Group.

Canadian Courier and Logistics Association:

Al Cormier, Executive Director, Electric Mobility Canada.

Credit Union Central of Canada:

Mike Tarr, Chair, Board of Directors.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 34

Tuesday, October 17, 2006

The Standing Committee on Finance met in a televised session at 10:02 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: National Council of Welfare: John Murphy, Chair. *Conseil canadien de la coopération:* Michel Rouleau, Chair of the Board. *Canadian Worker Co-operative Federation:* Mark Goldblatt, President. *Canada's Association for the Fifty-Plus:* Judy Cutler, Director, Government and Media Relations; William Gleberzon, Director, Government Relations. *Canadian Alliance on Mental Illness and Mental Health:* Phil Upshall, National Executive Director. *Aboriginal Institutes' Consortium:* Lu Ann Hill, Executive Director. *Ontario Museum Association:* Gilles Séguin, Board Member. *Ottawa Centre for Research and Innovation:* Jeffrey Dale, President and Chief Executive Officer. *Co-operative Housing Federation of Canada:* Ken Elliott, President. *ABC CANADA Literacy Foundation:* Margaret Eaton, President. *Investment Funds Institute of Canada:* Jamie Golombek, Chair, Taxation Working Group. *Canadian Courier and Logistics Association:* Al Cormier, Executive Director, Electric Mobility Canada. *Credit Union Central of Canada:* Mike Tarr, Chair, Board of Directors.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 11:29 a.m., the sitting was suspended.

At 11:40 a.m., the sitting resumed.

At 11:52 a.m., Massimo Pacetti took the Chair.

At 12:06 p.m., Brian Pallister took the Chair.

At 12:58 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/23 12:15 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 35

Tuesday, October 17, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Hon. Garth Turner
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Robert Carrier for Thierry St-Cyr.

IN ATTENDANCE:

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

Philippe Bergevin, Analyst;

Sheena Starky, Analyst.

WITNESSES:

Canadian Taxpayers Federation:

John Williamson, Federal Director.

Canadian Co-operative Association:

Carol Hunter, Executive Director.

Co-operators Group:

Frank Bomben, Manager, Government Relations;

Martin-Éric Tremblay, Senior Vice-President.

Orchestras Canada:

Katherine Carleton, Executive Director.

Precarn Incorporated:

Paul Johnston, President and Chief Executive Officer.

National Housing and Homelessness Network:

Michael Shapcott, Co-Chair, National Housing and Homelessness Network.

Canadian Cancer Society:

Kenneth Kyle, Director, Public Issues.

Prospectors and Developers Association of Canada:

Patricia Dillon, President.

Canadian Association of Student Financial Aid Administrators:

Suzanne Brunette, President, Student Awards Office;

Judy Dyck, Past President, Director.

Queen's University:

Karen Hitchcock, Principal and Vice-Chancellor.

Conference of Defence Associations:

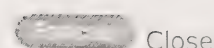
Richard J. Evraire, Chairman;

Brian S. MacDonald, Senior Defence Analyst.

Alliance of Sector Councils:

Wendy Swedlove, Vice-Chair.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 35

Tuesday, October 17, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Hon. Garth Turner and Judy Wasylycia-Leis.

Acting Members present: Robert Carrier for Thierry St-Cyr.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* Philippe Bergevin, Analyst; Sheena Starky, Analyst.

Witnesses: Canadian Taxpayers Federation: John Williamson, Federal Director. *Canadian Co-operative Association:* Carol Hunter, Executive Director. *Co-operators Group:* Frank Bomben, Manager, Government Relations; Martin-Eric Tremblay, Senior Vice-President. *Orchestras Canada:* Katherine Carleton, Executive Director. *Precarn Incorporated:* Paul Johnston, President and Chief Executive Officer. *National Housing and Homelessness Network:* Michael Shapcott, Co-Chair, National Housing and Homelessness Network. *Canadian Cancer Society:* Kenneth Kyle, Director, Public Issues. *Prospectors and Developers Association of Canada:* Patricia Dillon, President. *Canadian Association of Student Financial Aid Administrators:* Suzanne Brunette, President, Student Awards Office; Judy Dyck, Past President, Director. *Queen's University:* Karen Hitchcock, Principal and Vice-Chancellor. *Conference of Defence Associations:* Richard J. Evraire, Chairman; Brian S. MacDonald, Senior Defence Analyst. *Alliance of Sector Councils:* Wendy Swedlove, Vice-Chair.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 4:55 p.m., the sitting was suspended.

At 5:00 p.m., the sitting resumed.

At 6:26 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/23 11:40 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 36

Wednesday, October 18, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Rod Bruinooog for Mike Wallace,
David Christopherson for Judy Wasylycia-Leis,
and Bradley R. Trost for Dean Del Mastro.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst;
June Dewetering, Principal.
Standing Committee on Finance:
Shaïla Anwar, Co-Clerk of the Committee.

WITNESSES:

Canadian Airports Council:
Jim Facette, President and Chief Executive Officer.

Genworth Financial Canada:
Peter Vukanovich, President and Chief Executive Officer.

Canadian Printing Industries Association:
Ward Griffin, Immediate Past President.

Canadian Real Estate Association:
Pierre Beauchamp, Chief Executive Officer;
James McKellar, Advisor.

Canadian Council of Chief Executives:
David Stewart-Patterson, Executive Vice-President.

Association of Colleges of Applied Arts Technology of Ontario:
Robert Gillett.

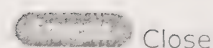
Certified General Accountants Association of Canada:
Everett E. Colby, Chair, Tax and Fiscal Policy Committee.

College Student Alliance:
Tyler Charlebois, Director of Advocacy.

Families Matter Co-operative Inc.:
John Toft, Secretary.

National Pensioners and Senior Citizens Federation:
Art Field, President.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 36

Wednesday, October 18, 2006

The Standing Committee on Finance met in a televised session at 3:31 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Rod Bruinooog for Mike Wallace, David Christopherson for Judy Wasylycia-Leis and Bradley R. Trost for Dean Del Mastro.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; June Dewetering, Principal. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Canadian Airports Council: Jim Facette, President and Chief Executive Officer. *Genworth Financial Canada:* Peter Vukanovich, President and Chief Executive Officer. *Canadian Printing Industries Association:* Ward Griffin, Immediate Past President. *Canadian Real Estate Association:* Pierre Beauchamp, Chief Executive Officer; James McKellar, Advisor. *Canadian Council of Chief Executives:* David Stewart-Patterson, Executive Vice-President. *Association of Colleges of Applied Arts Technology of Ontario:* Robert Gillett. *Certified General Accountants Association of Canada:* Everett E. Colby, Chair, Tax and Fiscal Policy Committee. *College Student Alliance:* Tyler Charlebois, Director of Advocacy. *Families Matter Co-operative Inc.:* John Toft, Secretary. *National Pensioners and Senior Citizens Federation:* Art Field, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 4:29 p.m., the sitting was suspended.

At 4:34 p.m., the sitting resumed.

On motion of John McCallum, it was agreed, — That, in the next 45 days the members of the Standing Committee on Finance hold one (1) hearing to study the implications of the Notice of Ways and Means Motion tabled by the Minister of Finance on 25 September, 2006 concerning amendments to the excise tax act, specifically the elimination of the visitors GST rebate program.

At 5:41 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/23 12:03 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 37

Thursday, October 19, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Robert Bouchard for Pierre A. Paquette.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:

Philippe Bergevin, Analyst.

WITNESSES:

Centre for Science in the Public Interest:
Bill Jeffery, National Coordinator.

Canadian Festivals Coalition:
Luc Fournier, Spokesperson.

Biotechnology Human Resource Council:
Colette Rivet, Executive Director.

Odyssey Showcase:
Deborah Davis, Executive Director.

Canadian Foundation for Economic Education:
Gary Rabbior, President.

Association of Canadian Airport Duty-Free Operators:
Chuck Loewen, President, Frontier Duty Free Association.

Parkinson Society Canada:
Joyce Gordon, Executive Director.

Investment Counsel Association of Canada:
Thomas Johnston, Executive Director.

Pembina Institute:
Amy Taylor, Program Director.

Writers Guild of Canada:
Sugith Varughese, Councillor.

Quinte United Immigrant Services:
Orlando Ferro, Executive Director.

Social Sciences and Humanities Research Council of Canada:
Chad Gaffield, President.

Computers for Success Canada:
John May, Chair.

Mining Association of Canada:
Paul Stothart, Vice President, Economic Affairs.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 37

Thursday, October 19, 2006

The Standing Committee on Finance met in a televised session at 10:31 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Robert Bouchard for Pierre A. Paquette.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* Philippe Bergevin, Analyst.

Witnesses: Centre for Science in the Public Interest: Bill Jeffery, National Coordinator. *Canadian Festivals Coalition:* Luc Fournier, Spokesperson. *Biotechnology Human Resource Council:* Colette Rivet, Executive Director. *Odyssey Showcase:* Deborah Davis, Executive Director. *Canadian Foundation for Economic Education:* Gary Rabbior, President. *Association of Canadian Airport Duty-Free Operators:* Chuck Loewen, President, Frontier Duty Free Association. *Parkinson Society Canada:* Joyce Gordon, Executive Director. *Investment Counsel Association of Canada:* Thomas Johnston, Executive Director. *Pembina Institute:* Amy Taylor, Program Director. *Writers Guild of Canada:* Sugith Varughese, Councillor. *Quinte United Immigrant Services:* Orlando Ferro, Executive Director. *Social Sciences and Humanities Research Council of Canada:* Chad Gaffield, President. *Computers for Success Canada:* John May, Chair. *Mining Association of Canada:* Paul Stothart, Vice President, Economic Affairs.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:35 a.m., the sitting was suspended.

At 11:01 a.m., the sitting resumed.

The witnesses made statements and answered questions.

At 12:15 p.m., the sitting was suspended.

At 12:23 p.m., the sitting resumed.

At 12:36 p.m., Massimo Pacetti took the Chair.

At 12:58 p.m., Brian Pallister took the Chair.

At 1:43 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/23 11:40 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 38

Thursday, October 19, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study of the Report of the Governor of the Bank of Canada on Monetary Policy.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

André Bellavance for Pierre A. Paquette,
and Bradley R. Trost for Dean Del Mastro.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

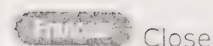
WITNESSES:

Bank of Canada:

David A. Dodge, Governor;
Paul Jenkins, Senior Deputy Governor.

David Dodge made an opening statement and, with the other witness, answered questions.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 38

Thursday, October 19, 2006

The Standing Committee on Finance met in a televised session at 3:32 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: André Bellavance for Pierre A. Paquette and Bradley R. Trost for Dean Del Mastro.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Sheena Starky, Analyst.

Witnesses: Bank of Canada: David A. Dodge, Governor; Paul Jenkins, Senior Deputy Governor.

Pursuant to Standing Order 108(2), the Committee commenced its study of the Report of the Governor of the Bank of Canada on Monetary Policy.

David Dodge made an opening statement and, with the other witness, answered questions.

At 4:50 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/23 11:41 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 39

Monday, October 23, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Atlantic Canada Airports Association:

Rob Robichaud, President and Chief Executive Officer;
Patricia Devine, Executive Director.

Newfoundland and Labrador Chamber of Mineral Resources:

Gerry O'Connell, Executive Director.

Association of Cultural Industries of Newfoundland and Labrador:

Danielle Irvine, Executive Director.

Newfoundland and Labrador Science Centre:

Nancy Griffiths, Executive Director.

Newfoundland Ocean Industries Association:

Ted Howell, President and Chief Executive Officer.

GrowthWorks Atlantic Ltd.:

Thomas J. Hayes, President and Chief Executive Officer.

Visual Artists Newfoundland and Labrador:

Marlene Creates, Co-Chair, Board of Directors.

Atlantic Policy Congress of First Nation Chiefs Secretariat Inc.:

John G. Paul, Executive Director.

Society of Rural Physicians of Canada:

Michael Jong, President;
John Rourke, Dean of the Faculty of Medicine, Memorial
University of Newfoundland.

St. John's Board of Trade:

Ken Birmingham, Chair, Finance and Taxation Policy Committee;
Mark King, Assistant General Manager, Policy and
Communications.

Newfoundland and Labrador Federation of Agriculture:

Mervin Wiseman, President.

Community Services Council Newfoundland and Labrador:

Penelope Rowe, Chief Executive Officer.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 39

Monday, October 23, 2006

The Standing Committee on Finance met at 9:01 a.m. this day, in the "Fort William" Ballroom A, Fairmont Newfoundland, St. John's, Newfoundland and Labrador, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Atlantic Canada Airports Association: Rob Robichaud, President and Chief Executive Officer; Patricia Devine, Executive Director. *Newfoundland and Labrador Chamber of Mineral Resources:* Gerry O'Connell, Executive Director. *Association of Cultural Industries of Newfoundland and Labrador:* Danielle Irvine, Executive Director. *Newfoundland and Labrador Science Centre:* Nancy Griffiths, Executive Director. *Newfoundland Ocean Industries Association:* Ted Howell, President and Chief Executive Officer. *GrowthWorks Atlantic Ltd.:* Thomas J. Hayes, President and Chief Executive Officer. *Visual Artists Newfoundland and Labrador:* Marlene Creates, Co-Chair, Board of Directors. *Atlantic Policy Congress of First Nation Chiefs Secretariat Inc.:* John G. Paul, Executive Director. *Society of Rural Physicians of Canada:* Michael Jong, President; John Rourke, Dean of the Faculty of Medicine, Memorial University of Newfoundland. *St. John's Board of Trade:* Ken Birmingham, Chair. Finance and Taxation Policy Committee; Mark King, Assistant General Manager, Policy and Communications. *Newfoundland and Labrador Federation of Agriculture:* Mervin Wiseman, President. *Community Services Council Newfoundland and Labrador:* Penelope Rowe, Chief Executive Officer.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:22 a.m., the sitting was suspended.

At 10:36 a.m., the sitting resumed.

At 11:52 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/24 2:26 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 40

Tuesday, October 24, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Nova Scotia Government and General Employees Union:
Ian Johnson, Policy Analyst, Researcher.

Canadian Federation of Students:
Chris Parsons, National Executive Representative.

Alliance of Nova Scotia Student Associations:
Spencer Keys, Executive Director.

Brain Injury Association of Nova Scotia:
Jane Warren.

Independent Media Arts Alliance:
Jennifer Dörner, National Director.

Dalhousie University:
Jeanne Fay, Senior Lecturer, School of Social Work .

University of Prince Edward Island:
Katherine Schultz, Vice-President, Research and Development.

Association of Nova Scotia University Teachers:
Chris Ferns, Past-President.

Canadian Union of Public Employees:
Chris Ferns.

Response: A Thousand Voices:
Gayle McIntyre, Founder.

North End Community Health Centre:
Paul O'Hara, Counsellor.

Nova Scotia Association of Social Workers:
Susan Nasser, Executive Director.

New Brunswick Business Council:
Donald Dennison, Executive Director.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 40

Tuesday, October 24, 2006

The Standing Committee on Finance met at 9:01 a.m. this day, in the Nova Scotia Ballroom Section D, Halifax Marriott Harbourfront Hotel, Halifax, Nova Scotia, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Nova Scotia Government and General Employees Union: Ian Johnson, Policy Analyst, Researcher. *Canadian Federation of Students:* Chris Parsons, National Executive Representative. *Alliance of Nova Scotia Student Associations:* Spencer Keys, Executive Director. *Brain Injury Association of Nova Scotia:* Jane Warren. *Independent Media Arts Alliance:* Jennifer Dörner, National Director. *Dalhousie University:* Jeanne Fay, Senior Lecturer, School of Social Work. *University of Prince Edward Island:* Katherine Schultz, Vice-President, Research and Development. *Association of Nova Scotia University Teachers:* Chris Ferns, Past-President. *Canadian Union of Public Employees:* Chris Ferns. *Response: A Thousand Voices:* Gayle McIntyre, Founder. *North End Community Health Centre:* Paul O'Hara, Counsellor. *Nova Scotia Association of Social Workers:* Susan Nasser, Executive Director. *New Brunswick Business Council:* Donald Dennison, Executive Director.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

By unanimous consent, it was agreed, — That briefs, not available in both official languages, be distributed to Committee members in Halifax, Quebec City and Toronto.

At 10:28 a.m., the sitting was suspended.

At 10:39 a.m., the sitting resumed.

At 12:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/26 11:38 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 41

Tuesday, October 24, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Deán Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Consortium of Women's Organizations of Nova Scotia:

Stella Lord, Representative, Co-Chair, Canadian Research Institute
for the Advancement of Women.

Magazines Canada:

Jim Gourlay, Affiliated member.

Canadian Restaurant and Foodservices Association:

Robert Mckelvie, Chairman.

Spirits Canada / Association of Canadian Distillers:

Jan Westcott, President and Chief Executive Officer.

Nova Scotia Home Builders' Association:

Suzanne Bona, Representative.

New Brunswick Non-Profit Housing Association:

Alex Arseneau, Executive Director.

Greater Halifax Partnership:

Fred Morley, Senior Vice President and Chief Economist.

New Brunswick Child Care Coalition:

Jody Dallaire, Coordinator.

Canadian Association of Research Libraries:

William Maes, University Librarian.

Face of Poverty Consultation :

Carolyn Earle, Co-chair.

Association of Faculties of Medicine of Canada:

Nick Busing, President and Chief Executive Officer.

Sport Nova Scotia:

Jamie Ferguson, Chief Executive Officer.

Direct Sellers Association of Canada:

Ross Creber, President.

JD Irving:

Riley Pye, Vice-President, Administration.

Halifax Regional Municipality:

Dan English, Chief Administrative Officer.

Elizabeth B. Kingston
Clerk of the Committee

Fransua Close

MINUTES OF PROCEEDINGS

Meeting No. 41

Tuesday, October 24, 2006

The Standing Committee on Finance met at 1:02 p.m. this day, in the Nova Scotia Ballroom Section D, Halifax Marriott Harbourfront Hotel, Halifax, Nova Scotia, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Consortium of Women's Organizations of Nova Scotia: Stella Lord, Representative, Co-Chair, Canadian Research Institute for the Advancement of Women. *Magazines Canada:* Jim Gourlay, Affiliated member. *Canadian Restaurant and Foodservices Association:* Robert Mckelvie, Chairman. *Spirits Canada / Association of Canadian Distillers:* Jan Westcott, President and Chief Executive Officer. *Nova Scotia Home Builders' Association:* Suzanne Bona, Representative. *New Brunswick Non-Profit Housing Association:* Alex Arseneau, Executive Director. *Greater Halifax Partnership:* Fred Morley, Senior Vice President and Chief Economist. *New Brunswick Child Care Coalition:* Jody Dallaire, Coordinator. *Canadian Association of Research Libraries:* William Maes, University Librarian. *Face of Poverty Consultation :* Carolyn Earle, Co-chair. *Association of Faculties of Medicine of Canada:* Nick Busing, President and Chief Executive Officer. *Sport Nova Scotia:* Jamie Ferguson, Chief Executive Officer. *Direct Sellers Association of Canada:* Ross Creber, President. *JD Irving:* Riley Pye, Vice-President, Administration. *Halifax Regional Municipality:* Dan English, Chief Administrative Officer.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 2:27 p.m., the sitting was suspended.

At 2:32 p.m., the sitting resumed.

At 3:57 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/26 11:41 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 42

Wednesday, October 25, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Steven Blaney for Mike Wallace,
and Luc Harvey for Rick Dykstra.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Genome Canada:

Martin Godbout, President and Chief Executive Officer.

Mouvement pour les arts et les lettres:

Bastien Gilbert, Chief Executive Officer, Regroupement des centres d'artistes autogérés du Québec;
Lorraine Hébert, Executive Director, Regroupement québécois de la danse.

Association of Obstetricians and Gynecologists of Quebec:

Diane Francoeur, President.

Merck Frosst Canada Inc.:

Christian Blouin, Director, Public Health Policy and Government Relations.

Quebec Federation of University Students:

Trevor Hanna, Vice-President, Federal and International Affairs.

Canada's Research-Based Pharmaceutical Companies (Rx & D):

Gilles Gagnon, President and Chief Executive Officer, Aeterna Zentaris Inc.;
Brigitte Nolet, Vice-President, Federal Affairs.

Union des artistes:

Jack Robitaille, Vice-President.

Regroupement des cégeps de la région de Québec:

Denis Juneau, President.

University of Sherbrooke:

Luc Godbout, Professor.

Chambre de commerce de Québec:

Denis Patry, Président;

Alain Kirouac, General Director.

Quebec Federation of Real Estate Boards:

Pierre Langlois, Director of Government operations.

Confédération des syndicats nationaux:

Pierre Patry, Treasurer.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 42

Wednesday, October 25, 2006

The Standing Committee on Finance met at 9:01 a.m. this day, in the Duquesne/Jonquière, Hôtel Delta Québec, Québec, Québec, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr and Judy Wasylycia-Leis.

Acting Members present: Steven Blaney for Mike Wallace and Luc Harvey for Rick Dykstra.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Genome Canada: Martin Godbout, President and Chief Executive Officer. *Mouvement pour les arts et les lettres:* Bastien Gilbert, Chief Executive Officer, Regroupement des centres d'artistes autogérés du Québec; Lorraine Hébert, Executive Director, Regroupement québécois de la danse. *Association of Obstetricians and Gynecologists of Quebec:* Diane Francoeur, President. *Merck Frosst Canada Inc.:* Christian Blouin, Director, Public Health Policy and Government Relations. *Quebec Federation of University Students:* Trevor Hanna, Vice-President, Federal and International Affairs. *Canada's Research-Based Pharmaceutical Companies (Rx&D):* Gilles Gagnon, President and Chief Executive Officer, Aeterna Zentaris Inc.; Brigitte Nolet, Vice-President, Federal Affairs. *Union des artistes:* Jack Robitaille, Vice-President. *Regroupement des cégeps de la région du Québec:* Denis Juneau, President. *University of Sherbrooke:* Luc Godbout, Professor. *Chambre de commerce de Québec:* Denis Patry, Président; Alain Kirouac, General Director. *Fédération des chambres immobilières du Québec:* Pierre Langlois, Director of Government operations. *Confédération des syndicats nationaux:* Pierre Patry, Treasurer.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

At 10:28 a.m., the sitting was suspended.

At 10:32 a.m., the sitting resumed.

At 11:54 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/10/26 11:46 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 43

Wednesday, October 25, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Steven Blaney for Mike Wallace,
and Luc Harvey for Rick Dykstra.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst;
June Dewetering, Principal.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Front d'action populaire en réaménagement urbain:

Nicolas Lefebvre Legault, President;
François Saillant, Coordinator.

Laval University:

Michel Pigeon, President.

Boîte à science:

Manon Théberge, Director General.

Canadian Arts Coalition:

Micheline McKay, Co-Chair;
Anne-Marie Jean, Executive Director.

Québec Landlords Association Inc.:

Marcel Tremblay.

Fédération des cégeps:

Gaétan Boucher, Chief Executive Officer.

Association of Canadian Community Colleges:

Serge Brassat, Executive Director.

Union des producteurs agricoles du Québec:

Denis Bilodeau, Vice-President;
Serge Lebeau, Senior International Trade Manager.

McGill University:

Heather Munroe-Blum, Principal.

RIDEAU:

Colette Brouillé, Executive Director.

Réseau Solidarité Itinérance du Québec:

Nathalie Brisseau, Coordinator.

Desjardins Group:

Yves Morency, Vice-President, Government Relations.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 43

Wednesday, October 25, 2006

The Standing Committee on Finance met at 1:02 p.m. this day, in the Duquesne/Jonquière, Hôtel Delta Québec, Québec, Québec, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Steven Blaney for Mike Wallace and Luc Harvey for Rick Dykstra.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; June Dewetering, Principal. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Front d'action populaire en réaménagement urbain: Nicolas Lefebvre Legault, President; François Saillant, Coordinator. *Laval University:* Michel Pigeon, President. *Boîte à science:* Manon Théberge, Director General. *Canadian Arts Coalition:* Micheline McKay, Co-Chair; Anne-Marie Jean, Executive Director. *Association des propriétaires de Québec Inc.:* Marcel Tremblay. *Fédération des cégeps:* Gaétan Boucher, Chief Executive Officer. *Association of Canadian Community Colleges:* Serge Brasset, Executive Director. *Union des producteurs agricoles du Québec:* Denis Bilodeau, Vice-President; Serge Lebeau, Senior International Trade Manager. *McGill University:* Heather Munroe-Blum, Principal. *RIDEAU:* Colette Brouillé, Executive Director. *Réseau Solidarité Itinérance du Québec:* Nathalie Brisseau, Coordinator. *Desjardins Group:* Yves Morency, Vice-President, Government Relations.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 2:25 p.m., the sitting was suspended.

At 2:30 p.m., the sitting resumed.

At 3:50 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/06 10:32 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 44

Thursday, October 26, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

June Dewetering, Principal;

Alexandre Laurin, Analyst.

WITNESSES:

KAIROS (Canadian Ecumenical Justice Initiatives):

Michael Polanyi, Coordinator, Canadian Social Development Program.

Toronto Real Estate Board:

Calvin Weinfeld, Member.

Maple Leaf Foods Inc.:

Annalisa King, Senior Vice-President.

Ontario Coalition for Better Child Care :

Elizabeth E. Ablett, Executive Director.

Vengrowth Private Equity Partners:

Jay Heller, General Partner.

SenTax:

Daniel A. Braniff, Past Chairman and Co-founder.

Ontario Municipal Social Services Association:

Rick Williams, President.

Task Force on Modernizing Security for Working Age Adults:

John Stapleton, Research Fellow and Co-Chair;
Jill Black, Project Director and Co-Chair.

World Vision Canada:

Dave Toycen, President and Chief Executive Officer.

Toronto Disaster Relief Committee:

Tanya Gulliver, Coordinator;
Rainer "Dri" Driemeyer, Steering Committee Member.

Toronto Board of Trade:

Cecil Bradley, Vice-President, Policy.

Toronto District School Board:

Bruce Davis, School Trustee, Ward 3 Etobicoke-Lakeshore.

Anishinabek Nation:

John Beaucage, Grand Council Chief.

Seneca College of Applied Arts and Technology:

Rick Miner, President.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 44

Thursday, October 26, 2006

The Standing Committee on Finance met at 9:01 a.m. this day, in the Room "Admiral", Radisson Admiral Hotel, Toronto, Ontario, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: KAIROS (Canadian Ecumenical Justice Initiatives): Michael Polanyi, Coordinator, Canadian Social Development Program. *Toronto Real Estate Board:* Calvin Weinfeld, Member. *Maple Leaf Foods Inc.:* Annalisa King, Senior Vice-President. *Ontario Coalition for Better Child Care :* Elizabeth E. Ablett, Executive Director. *Vengrowth Private Equity Partners:* Jay Heller, General Partner. *SenTax:* Daniel A. Braniff, Past Chairman and Co-founder. *Ontario Municipal Social Services Association:* Rick Williams, President. *Task Force on Modernizing Security for Working Age Adults:* John Stapleton, Research Fellow and Co-Chair; Jill Black, Project Director and Co-Chair. *World Vision Canada:* Dave Toycen, President and Chief Executive Officer. *Toronto Disaster Relief Committee:* Tanya Gulliver, Coordinator; Rainer "Dri" Driemeyer, Steering Committee Member. *Toronto Board of Trade:* Cecil Bradley, Vice-President, Policy. *Toronto District School Board:* Bruce Davis, School Trustee, Ward 3 Etobicoke-Lakeshore. *Anishinabek Nation:* John Beaucage, Grand Council Chief. *Seneca College of Applied Arts and Technology:* Rick Miner, President.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 10:25 a.m., the sitting was suspended.

At 10:38 a.m., the sitting resumed.

At 12:00 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/01 11:11 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 45

Thursday, October 26, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Greater Kitchener Waterloo Chamber of Commerce:

Linda Korgemets, Senior Management, Tax,
PricewaterhouseCoopers LLP;
Mr. Art Sinclair, Policy Analyst.

Canadian Vehicle Manufacturers' Association:
Mark A. Nantais, President.

Hospital for Sick Children:
Janet Rossant, Chief of Research.

Greater Toronto Airports Authority:
John Kaldeway, President and Chief Executive Officer.

Greater Toronto Hotel Association:
Rod Seiling, President, Ontario Tourism Council.

Canadian Plastics Industry Association:
Atul Sharma, Chief Economist and Executive Director, Ontario.

Directors Guild of Canada:
Pamela Brand, National Executive Director and Chief Executive
Officer.

Opera.ca:
David Baile, Secretary-Treasurer.

Campaign 2000:
Laurel Rothman, Director of Social Reform & National
Coordinator, Family Service Association of Toronto.

Toronto Financial Services Alliance:
Janet Ecker, Executive Director.

Nishnawbe Aski Nation:
Alvin Fiddler, Deputy Grand Chief.

Campaign Against Child Poverty:
Caroline Di Giovanni, Director.

Canadian Children's Rights Council:
Grant Wilson, President.

C.D. Howe Institute:
Finn Poschmann, Director of Research.

Elizabeth B. Kingston
Clerk of the Committee



Close

MINUTES OF PROCEEDINGS

Meeting No. 45

Thursday, October 26, 2006

The Standing Committee on Finance met at 1:02 p.m. this day, in the Ballroom "Admiral", Radisson Admiral Hotel, Toronto, Ontario, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Greater Kitchener Waterloo Chamber of Commerce: Linda Korgemets, Senior Management, Tax, PricewaterhouseCoopers LLP; Mr. Art Sinclair, Policy Analyst. *Canadian Vehicle Manufacturers' Association:* Mark A. Nantais, President. *Hospital for Sick Children:* Janet Rossant, Chief of Research. *Greater Toronto Airports Authority:* John Kaldeway, President and Chief Executive Officer. *Greater Toronto Hotel Association:* Rod Seiling, President. *Canadian Plastics Industry Association:* Atul Sharma, Chief Economist and Executive Director, Ontario. *Directors Guild of Canada:* Pamela Brand, National Executive Director and Chief Executive Officer. *Opera.ca:* David Baile, Secretary-Treasurer. *Campaign 2000:* Laurel Rothman, Director of Social Reform & National Coordinator, Family Service Association of Toronto. *Toronto Financial Services Alliance:* Janet Ecker, Executive Director. *Nishnawbe Aski Nation:* Alvin Fiddler, Deputy Grand Chief. *Campaign Against Child Poverty:* Caroline Di Giovanni, Director. *Canadian Children's Rights Council:* Grant Wilson, President. *C.D. Howe Institute:* Finn Poschmann, Director of Research.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses made statements and answered questions.

At 2:30 p.m., the sitting was suspended.

At 2:36 p.m., the sitting resumed.

At 4:01 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/03 11:40 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 46

Tuesday, October 31, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee commenced consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal.

APPEARING:

Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

WITNESSES:

Department of Finance:

Diane Lafleur, Director, Financial Sector, Financial Sector Policy Branch;

Lynn Hemmings, Chief, Financial Crime - Domestic, Financial Sector Division, Financial Sector Policy Branch;

Shannon Grainger, Senior Analyst, Financial Crimes - International, Financial Sector Division, Financial Sector Policy Branch;

Vincent Jalbert, Senior Project Leader, Financial Crimes - Domestic, Financial Sector Division, Financial Sector Policy Branch.

The Parliamentary Secretary made a statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 46

Tuesday, October 31, 2006

The Standing Committee on Finance met in a televised session at 9:12 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal.

Appearing: Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

Witnesses: Department of Finance: Diane Lafleur, Director, Financial Sector, Financial Sector Policy Branch; Lynn Hemmings, Chief, Financial Crime - Domestic, Financial Sector Division, Financial Sector Policy Branch; Shannon Grainger, Senior Analyst, Financial Crimes - International, Financial Sector Division, Financial Sector Policy Branch; Vincent Jalbert, Senior Project Leader, Financial Crimes - Domestic, Financial Sector Division, Financial Sector Policy Branch.

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee commenced consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

The Parliamentary Secretary made a statement and, with the other witnesses, answered questions.

The Committee proceeded to the consideration of matters related to Committee business.

By unanimous consent, it was agreed, — That the Committee hold an additional hearing on Thursday, November 2, 2006 respecting Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act, to hear from two panels of stakeholders respecting the bill.

Judy Wasylycia-Leis moved, — That the Standing Committee on Finance reconstitute its program of quarterly independent fiscal forecasts employing the services of the Conference Board of Canada, Canadian Centre for Policy Alternatives, Global Insight and Dr. Vaillancourt or other independent forecasters, as determined by the Finance Committee, with an initial appearance before the Finance Committee in November.

By unanimous consent, on motion of Massimo Pacetti, it was agreed, — That the motion be amended by striking out the word "its" and by substitution the following therefor: "an interim".

By unanimous consent, on motion of Massimo Pacetti, it was agreed, — That the motion be amended by striking out the word "employing" and by substituting the following therefor: "utilizing".

By unanimous consent, on motion of Massimo Pacetti, it was agreed, — That the motion be further

amended by adding after the words "independent forescasters" the following:

submitted to the Clerk by the Members of the Finance Committee, with the Analysts to determine those selected forecasters.

By unanimous consent, on motion of Massimo Pacetti, it was agreed, — That the motion be further amended by striking out the words "as determined by the Finance Committee".

By unanimous consent, on motion of John McCallum, it was agreed, — That the motion be further amended by striking out the words "in November" and by substituing the following therefor:

"prior to the appearance of the Finance Minister respecting the Fall Fiscal update".

By unanimous consent, after debate, the question was put on the motion, as amended, and it was agreed to.

At 11:02 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/06 12:05 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 47

Thursday, November 2, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee commenced consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal.

WITNESSES:

Financial Transactions and Reports Analysis Centre of Canada:

Horst Intscher, Director;

Glynnis French, Deputy Director, Strategies and Partnerships;

Peter Bulatovic, Assistant Director, Tactical Financial Intelligence;

Yvon Carrière, Senior Counsel.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 47

Thursday, November 2, 2006

The Standing Committee on Finance met at 10:00 a.m. this day, in Room 112-N, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal.

Witnesses: Financial Transactions and Reports Analysis Centre of Canada: Horst Intscher, Director; Glynnis French, Deputy Director; Peter Bulatovic, Assistant Director, Tactical Financial Intelligence; Yvon Carrière, Senior Counsel.

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee resumed consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

The witnesses made statements and answered questions.

At 10:59 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/03 11:37 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 48

Thursday, November 2, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee • commenced consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal.
Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Canadian Bankers Association:

Warren Law, Senior Vice-President, Corporate Operations and General Counsel;
Ron King, Chief anti-laundering laundering, Scotiabank.

Office of the Auditor General of Canada:

Douglas Timmins, Assistant Auditor General.

Canada Revenue Agency:

Elizabeth Tromp, Director General, Charities Directorate, Legislative Policy and Regulatory Affairs Branch;
Donna Walsh, Director, Review and Analysis Division, Charities Directorate, Legislative Policy and Regulatory Affairs Branch;
Denis Meunier, Director General, Enforcement and Disclosures Directorate, Compliance Programs Branch.

Western Union:

Brian Fox, Regional Vice-President Canada.

Canadian Life and Health Insurance Association Inc.:

Jean-Pierre Bernier, General Counsel.

Office of the Superintendent of Financial Institutions Canada:

Nicolas Burbidge, Senior Director, Compliance Division.

Federation of Law Societies of Canada:

James Varro, Policy Counsel, Anti-Money Laundering Committee.

Canadian Bar Association:

Ron Skolrood, Chair, National Constitutional and Human Rights Law Section;
Tamra L. Thomson, Director, Legislation and Law Reform.

Investment Dealers Association of Canada:

Lawrence N. Boyce, Vice-President, Sales Compliance and Registration.

Senate:

Hon. Jeremiah S. Grafstein, Chairman, Standing Committee on Banking, Trade and Commerce.

Elizabeth B. Kingston
Clerk of the Committee



Close

MINUTES OF PROCEEDINGS

Meeting No. 48

Thursday, November 2, 2006

The Standing Committee on Finance met in a televised session at 11:14 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Canadian Bankers Association: Warren Law, Senior Vice-President, Corporate Operations and General Counsel; Ron King, Chief anti-laundersing laundering, Scotiabank. *Office of the Auditor General of Canada:* Douglas Timmins, Assistant Auditor General. *Canada Revenue Agency:* Elizabeth Tromp, Director General, Charities Directorate, Legislative Policy and Regulatory Affairs Branch; Donna Walsh, Director, Review and Analysis Division, Charities Directorate, Legislative Policy and Regulatory Affairs Branch; Denis Meunier, Director General, Enforcement and Disclosures Directorate, Compliance Programs Branch. *Western Union:* Brian Fox, Regional Vice-President Canada. *Canadian Life and Health Insurance Association Inc.:* Jean-Pierre Bernier, General Counsel. *Office of the Superintendent of Financial Institutions Canada:* Nicolas Burbidge, Senior Director, Compliance Division. *Federation of Law Societies of Canada:* James Varro, Policy Counsel, Anti-Money Laundering Committee. *Canadian Bar Association:* Ron Skolrood, Chair, Constitutional and Human Rights Law Section; Tamra L. Thomson, Director, Legislation and Law Reform. *Investment Dealers Association of Canada:* Lawrence N. Boyce, Vice-President, Sales Compliance and Registration. *Senate:* Hon. Jeremiah S. Grafstein, Chairman, Banking, Trade and Commerce Committee.

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee resumed consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

The witnesses made statements and answered questions.

At 12:27 p.m., the sitting was suspended.

At 12:37 p.m., the sitting resumed.

AT 12:48 p.m., Massimo Pacetti took the Chair.

At 1:04 p.m., Brian Pallister took the Chair.

At 1:48 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston

Clerk of the Committee

2006/11/03 11:37 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 49

Tuesday, November 7, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee commenced consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Laurie Hawn for Rick Dykstra.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

House of Commons:

Michael MacPherson, Procedural Clerk.

WITNESSES:

Department of Finance:

Serge Nadeau, General Director, Analysis, Tax Policy Branch;

Colleen Barnes, Senior Chief, Strategic Planning and Trade,
Financial Institutions Division;

G rard Lalonde, Assistant Director, Tax Legislation Division, Tax
Policy Branch;

Wayne Foster, Senior Chief, Financial Markets Division;

Denis Gauthier, Assistant Deputy Minister, Economic
Development and Corporate Finance;

Robert Dunlop, Acting General Director, Economic Development
and Corporate Finance;

R al Bouchard, General Director, Federal-Provincial Relations and
Social Policy Branch;

Dan Calof, Senior Chief, Financial Sector Division;

Diane Lafleur, Director, Financial Sector, Financial Sector Policy
Branch.

Office of the Superintendent of Financial Institutions Canada:

Keith Martin, Director, Compliance Division.

Department of Finance:

Shannon Grainger, Senior Analyst, Financial Crimes -
International, Financial Sector Division, Financial Sector Policy
Branch;

Vincent Jalbert, Senior Project Leader, Financial Crimes -
Domestic, Financial Sector Division, Financial Sector Policy
Branch.

Canada Revenue Agency:

Denis Meunier, Director General, Enforcement and Disclosures
Directorate, Compliance Programs Branch.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 49

Tuesday, November 7, 2006

The Standing Committee on Finance met *in camera* at 10:08 a.m. this day, in Room 308, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Laurie Hawn for Rick Dykstra.

In attendance: Library of Parliament: June Dewetering, Principal. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee. *House of Commons:* Michael MacPherson, Procedural Clerk.

Witnesses: Department of Finance: Serge Nadeau, General Director, Analysis, Tax Policy Branch; Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division; Gérard Lalonde, Assistant Director, Tax Legislation Division, Tax Policy Branch; Wayne Foster, Senior Chief, Financial Markets Division; Denis Gauthier, Assistant Deputy Minister, Economic Development and Corporate Finance; Robert Dunlop, Acting General Director, Economic Development and Corporate Finance; Réal Bouchard, General Director, Federal-Provincial Relations and Social Policy Branch; Dan Calof, Senior Chief, Financial Sector Division; Diane Lafleur, Director, Financial Sector, Financial Sector Policy Branch. *Office of the Superintendent of Financial Institutions Canada:* Keith Martin, Director, Compliance Division. *Department of Finance:* Shannon Grainger, Senior Analyst, Financial Crimes - International, Financial Sector Division, Financial Sector Policy Branch; Vincent Jalbert, Senior Project Leader, Financial Crimes - Domestic, Financial Sector Division, Financial Sector Policy Branch. *Canada Revenue Agency:* Denis Meunier, Director General, Enforcement and Disclosures Directorate, Compliance Programs Branch.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The witnesses answered questions.

At 11:59 a.m., the sitting was suspended.

At 12:22 p.m., the sitting resumed in public.

Pursuant to the Order of Reference of Tuesday, October 24, 2006, the Committee resumed consideration of Bill C-25, An Act to amend the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the Income Tax Act and to make a consequential amendment to another Act.

The Committee commenced its clause-by-clause study of the Bill.

Clause 1 carried on division.

Clause 2 carried on division.

On Clause 3

Massimo Pacetti proposed to move, — That Bill C-25, in Clause 3, be amended

(a) by replacing line 17 on page 2 with the following:

“(2) Paragraphs 5(l) and (m) of the Act are replaced”

(b) by replacing line 26 on page 2 with the following:

“(l.1) persons and entities engaged in the business of money lending, including “payday lenders” not covered in paragraphs (a) to (l);

(l.2) persons and entities engaged in the business of selling new and used motorized vehicles, including but not limited to automobiles, trucks, boats and motorcycles;

(l.3) persons and entities engaged in the business of buying and selling precious metals, stones and jewellery; and

(m) for the purposes of section 7, employees of a person or entity referred to in any of paragraphs (a) to (l.3).”

RULING BY THE CHAIR

Clause 3 of Bill C-25 proposes, among other things, to make an amendment to section 5(l) of the application section of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to include departments or agents of Her Majesty that sell prescribed precious metals. This amendment proposes to also include in this section persons in the business of money lending including ‘payday lenders’, persons or entities in the business of selling new and used motorized vehicles, as well as persons in the business of buying and selling precious metals, stones and jewellery. This clearly broadens the scope of the application of the bill.

According to page 654 of *Marleau & Montpetit*: “An amendment to a bill that was referred to a committee after second reading is out of order if it is beyond the scope and principle of the bill.”

Consequently, in my view, this amendment goes beyond the scope of Bill C-25 and is therefore inadmissible.

Clause 3 carried on division.

Clause 4 carried on division.

Clause 5 carried on division.

On Clause 6,

Mike Wallace moved, — That Bill C-25, in Clause 6, be amended by replacing lines 21 and 22 on page 3 with the following:

“under section 8 of the *Regulations Implementing the United Nations Resolutions on the Suppression of*

Terrorism shall also make a”

After debate, the question was put on the amendment of Mike Wallace and it was agreed to.

Clause 6, as amended, carried on division.

Clause 7 carried on division.

On Clause 8,

Diane Ablonczy moved, — That Bill C-25, in Clause 8, be amended by

(a) replacing line 21 on page 5 with the following:

“spondent banking relationship” means a relationship created by an agree-”

(b) replacing lines 28 and 29 on page 5 with the following:

“management, cheque clearing and any prescribed services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Massimo Pacetti moved, — That Bill C-25, in Clause 8, be amended

(a) by replacing line 21 on page 6 with the following:

“of section 2 of the *Bank Act* and for authorized foreign companies within the meaning of section 2 of the *Insurance Companies Act*, shall ensure that”

(b) by replacing line 28 on page 6 with the following:

“with the requirements of sections 6 and 9.6”

John McCallum moved, — That the amendment be amended by deleting the words

“(b) by replacing line 28 on page 6 with the following:

“with the requirements of sections 6 and 9.6”. ”

After debate, the question was put on the subamendment of John McCallum and it was agreed to.

The question was put on the amendment of Massimo Pacetti, as amended, and it was agreed to.

Massimo Pacetti moved, — That Bill C-25, in Clause 8, be amended by replacing lines 3 to 5 on page 7 with the following:

“within the meaning of section 2 of the *Bank Act* and for authorized foreign companies within the meaning of section 2 of the *Insurance Companies Act*, shall ensure that their branches, that are located in a country that is not a member of the Financial Action Task Force and that carry out activities similar to those of persons and entities referred to in those paragraphs, develop and apply policies and

procedures that are consistent with the requirements of sections 6 and 9.6 when the laws of the country permit it.”

Michael Savage moved, — That the amendment be amended by adding after the words “of sections 6” the following:

“, 6.1”

After debate, the question was put on the subamendment of Michael Savage and it was agreed to.

The question was put on the amendment of Massimo Pacetti, as amended, and it was agreed to.

Clause 8, as amended, carried.

Clause 9 carried.

Clause 10 carried.

On Clause 11,

Diane Ablonczy moved, — That Bill C-25, in Clause 11, be amended by replacing lines 28 and 29 on page 7 with the following:

“the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism*,”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 11, as amended, carried.

Clauses 12 to 16 inclusive carried on division severally.

On Clause 17,

Diane Ablonczy moved, — That Bill C-25, in Clause 17, be amended by replacing lines 13 to 15 on page 13 with the following:

“instruments were when seized, who claims in respect of the currency or monetary instruments an interest as owner or, in Quebec, a right as owner or trustee may, within 90”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to on division.

Clause 17, as amended, carried on division.

Clauses 18 to 25 inclusive carried severally.

On Clause 26,

Massimo Pacetti moved, — That Bill C-25, in Clause 26, be amended by adding after line 3 on page 18 the following:

“(4.1) Section 55 of the Act is amended by adding the following after subsection (3):

(3.01) The Canada Revenue Agency may request designated information about a person or an entity from the Centre if the Canada Revenue Agency has reasonable grounds to suspect that the person or entity is obtaining or is attempting to obtain a rebate, refund or credit to which it is not entitled, or is evading or attempting to evade paying taxes or duties imposed under an Act of Parliament administered by the Minister of National Revenue. The Centre shall disclose the requested information to the Canada Revenue Agency if, on the basis of its analysis and assessment, it has reasonable grounds to suspect that designated information would be relevant to the Canada Revenue Agency’s investigation.”

After debate, the question was put on the amendment of Massimo Pacetti and it was negatived.

Clause 26 carried.

Clauses 27 to 37 inclusive carried severally.

On Clause 38,

John McCallum proposed to move, — That Bill C-25, in Clause 38, be amended by adding after line 3 on page 30 the following:

“(2) The Security Intelligence Review Committee established by subsection 34(1) of the *Canadian Security Intelligence Service Act* shall undertake a review of the operations of the Centre in each financial year and shall, within three months after the end of each financial year, submit an annual report to Parliament on those operations.”

RULING BY THE CHAIR

The Chair ruled the proposed amendment inadmissible because it infringed on the financial initiative of the Crown, as provided on page 655 of House of Commons Procedure and Practice.

Whereupon, John McCallum appealed the decision of the Chair.

The question: "Shall the decision of the Chair be sustained?" was put and the decision was overturned, by a show of hands: YEAS: 4; NAYS: 6.

Whereupon, John McCallum moved the amendment.

After debate, the question was put on the amendment of John McCallum and it was agreed to on division.

Clause 38, as amended, carried on division.

Clauses 39 to 47 inclusive carried on division severally.

The Title carried.

The Bill, as amended, carried.

ORDERED, — That the Chair report the Bill, as amended, to the House.

At 1:07 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/09 7:57 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 50

Thursday, November 9, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing to study the implications of the Notice of Ways and Means Motion tabled by the Minister of Finance on 25 September, 2006 concerning amendments to the Excise Tax Act, specifically the elimination of the visitors GST rebate.

Pursuant to the Order of Reference of Monday, October 30, 2006, the Committee commenced consideration of Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

Pursuant to Standing Order 81(5), the Committee commenced consideration of the Supplementary Estimates (A) for the fiscal year ending March 31, 2007 : Vote 1a under CANADA REVENUE AGENCY and Votes 1a, 25a and 30a under FINANCE referred to the Committee on Monday, October 30, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,

Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Joe McGuire for Michael Savage.

IN ATTENDANCE:

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

Jean Dupuis, Analyst;

Sheena Starky, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

WITNESSES:

Hotel Association of Canada:

Anthony P. Pollard, President.

Retail Council of Canada:

Kim Furlong, Director, Federal Government Relations.

Tourism Industry Association of Canada:

Christopher Jones, Vice-President, Public Affairs.

Union of Taxation Employees:

Dawn Hardy, President, Local 90006 (PEI).

Conference Board of Canada:

Alex Fritsche, Economist, Canadian Tourism Research Institute.

Canadian Tourism Commission:

Karin Zabel, Vice-President and Chief Financial Officer, Finance.

Global Refund Canada Ltd.:

Kevin Boughen, President.

Department of Finance:

Serge Nadeau, General Director, Tax Policy Branch;

Barbara Anderson, Assistant Deputy Minister;

Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch;

Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch;

Coleen Volk, Assistant Deputy Minister, Corporate Services Branch;

Baxter Williams, Director, Personal Income Tax Division, Tax Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 50

Thursday, November 9, 2006

The Standing Committee on Finance met in a televised session at 10:02 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Hon. Joe McGuire for Michael Savage.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* Jean Dupuis, Analyst; Sheena Starky, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Hotel Association of Canada: Anthony P. Pollard, President. *Retail Council of Canada:* Kim Furlong, Director, Federal Government Relations. *Tourism Industry Association of Canada:* Christopher Jones, Vice-President, Public Affairs. *Union of Taxation Employees:* Dawn Hardy, President, Local 90006 (PEI). *Conference Board of Canada:* Alex Fritsche, Economist, Canadian Tourism Research Institute. *Canadian Tourism Commission:* Karin Zabel, Vice-President and Chief Financial Officer, Finance. *Global Refund Canada Ltd.:* Kevin Boughen, President. *Department of Finance:* Serge Nadeau, General Director, Tax Policy Branch; Barbara Anderson, Assistant Deputy Minister; Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch; Paul-Henri Lapointe, Assistant Deputy Minister, Economic and Fiscal Policy Branch; Coleen Volk, Assistant Deputy Minister, Corporate Services Branch; Baxter Williams, Director, Personal Income Tax Division, Tax Policy Branch.

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing to study the implications of the Notice of Ways and Means Motion tabled by the Minister of Finance on 25 September, 2006 concerning amendments to the Excise Tax Act, specifically the elimination of the visitors GST rebate.

The witnesses made statements and answered questions.

At 11:27 a.m., the sitting was suspended.

At 11:43 a.m., the sitting resumed.

Pursuant to the Order of Reference of Monday, October 30, 2006, the Committee commenced consideration of Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

The Chair calls Clause 1.

The Minister made a statement and, with the other witnesses, answered questions.

At 12:35 p.m., the sitting was suspended.

At 12:47 p.m., the sitting resumed.

Pursuant to Standing Order 81(5), the Committee commenced consideration of the Supplementary Estimates (A) for the fiscal year ending March 31, 2007 : Vote 1a under CANADA REVENUE AGENCY and Votes 1a, 25a and 30a under FINANCE referred to the Committee on Monday, October 30, 2006.

By unanimous consent, the Chair calls Vote 1a under CANADA REVENUE AGENCY and Votes 1a, 25a and 30a under FINANCE.

The Minister made a statement and, with the other witnesses, answered questions.

Vote 1a under CANADA REVENUE AGENCY and Votes 1a, 25a, 30a under FINANCE carried severally.

It was agreed, — That the Chair report Votes 1a under CANADA REVENUE AGENCY and Votes 1a, 25a, 30a under FINANCE to the House.

At 1:18 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/28 10:12 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 51

Tuesday, November 21, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Bernard Bigras for Pierre A. Paquette,
James Lunney for Diane Ablonczy,
and Roger Valley for Hon. John McKay.

IN ATTENDANCE:

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

Philippe Bergevin, Analyst;

June Dewetering, Principal;

Alexandre Laurin, Analyst;

Sheena Starky, Analyst.

Elizabeth B. Kingston
Clerk of the Committee

[Français](#)[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 51

Tuesday, November 21, 2006

The Standing Committee on Finance met *in camera* at 3:33 p.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Bernard Bigras for Pierre A. Paquette, James Lunney for Diane Ablonczy and Roger Valley for Hon. John McKay.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* Philippe Bergevin, Analyst; June Dewetering, Principal; Alexandre Laurin, Analyst; Sheena Starky, Analyst.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The Committee commenced consideration of a draft report.

At 5:34 p.m., the sitting was suspended.

At 6:33 p.m., the sitting resumed.

At 7:32 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/28 11:44 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 52

Thursday, November 23, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study from Independent Fiscal Forecasters.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:

Philippe Bergevin, Analyst;
June Dewetering, Principal;
Alexandre Laurin, Analyst.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

TD Bank Financial Group:

Don Drummond, Senior Vice-President and Chief Economist.

Canadian Centre for Policy Alternatives:

Mathieu Dufour, Research Associate.

University of Sherbrooke:

Mario Fortin, Professor of Economics.

Global Insight Inc.:

Dale Orr, Managing Director, Canadian Macroeconomic Services.

Canadian Centre for Policy Alternatives:

Ellen Russell, Senior Research Economist.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 52

Thursday, November 23, 2006

The Standing Committee on Finance met at 9:41 a.m. this day, in Room 112-N, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Philippe Bergevin, Analyst; June Dewetering, Principal; Alexandre Laurin, Analyst. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: TD Bank Financial Group: Don Drummond, Senior Vice-President and Chief Economist. *Canadian Centre for Policy Alternatives:* Mathieu Dufour, Research Associate. *University of Sherbrooke:* Mario Fortin, Professor of Economics. *Global Insight Inc.:* Dale Orr, Managing Director, Canadian Macroeconomic Services. *Canadian Centre for Policy Alternatives:* Ellen Russell, Senior Research Economist.

Pursuant to Standing Order 108(2), the Committee commenced its study respecting Independent Fiscal Forecasters.

By unanimous consent, it was agreed, — That briefs, not available in both official languages, be distributed to Members for purposes of this meeting only.

The witnesses made statements and answered questions.

At 11:02 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/28 10:13 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 53

Thursday, November 23, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study of the 2006 Economic and Fiscal Update.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ASSOCIATE MEMBERS PRESENT:

Ron Cannan.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

June Dewetering, Principal;

Alexandre Laurin, Analyst;

Sheena Starky, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

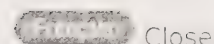
WITNESSES:

Department of Finance:

Robert Wright, Deputy Minister;

Mark Carney, Senior Associate Deputy Minister, G-7 Deputy for Canada.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 53

Thursday, November 23, 2006

The Standing Committee on Finance met in a televised session at 3:37 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Associate Members present: Ron Cannan.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst; Sheena Starky, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Department of Finance: Robert Wright, Deputy Minister; Mark Carney, Senior Associate Deputy Minister, G-7 Deputy for Canada.

Pursuant to Standing Order 108(2), the Committee commenced its study of the 2006 Economic and Fiscal Update.

The Minister made a statement and, with the other witnesses, answered questions.

At 5:30 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/28 10:13 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 54

Tuesday, November 28, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Larry Bagnell for Hon. John McKay.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

Philippe Bergevin, Analyst;
June Dewetering, Principal;
Alexandre Laurin, Analyst;
Sheena Starky, Analyst;
Larissa Smorag, Intern.

Elizabeth B. Kingston
Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 54

Tuesday, November 28, 2006

The Standing Committee on Finance met *in camera* at 3:31 p.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Hon. Larry Bagnell for Hon. John McKay.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* Philippe Bergevin, Analyst; June Dewetering, Principal; Alexandre Laurin, Analyst; Sheena Starky, Analyst; Larissa Smorag, Intern.

Pursuant to Standing Order 83.1, the Committee resumed its pre-budget consultations 2006.

The Committee resumed consideration of its draft report.

It was agreed, — That the draft report, as amended, be adopted.

It was agreed, — That the Chair, Clerk and analysts be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, — That the Committee append to its report supplementary opinions from all Parties provided that they are translated, no more than 4 pages in length and submitted electronically to the Clerk of the Committee, no later than 4:00 p.m., on Tuesday, December 5, 2006.

It was agreed, — That the Chair present the report to the House.

It was agreed, — That the Clerk of the Committee, in consultation with the Chair, issue a news release immediately following tabling of the Report in the House of Commons.

It was agreed, — That the Chair present a Report to the House at the earliest opportunity requesting that, notwithstanding the provisions of Standing Order 83.1, the Committee request that the deadline for tabling the Pre-Budget Consultation Report be extended to Thursday, December 7, 2006.

At 6:51 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/11/30 4:06 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 55

Tuesday, December 5, 2006

ORDER OF THE DAY:

Pursuant to the Order of Reference of Monday, October 30, 2006, the Committee commenced consideration of Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Michael Savage,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Claude Bachand for Pierre A. Paquette.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal.

Standing Committee on Finance:

Shaila Anwar, Co-Clerk of the Committee.

WITNESSES:

Department of Finance:

Carlos Achadinha, Chief, Alcohol, Tobacco and Excise
Legislation, Tax Policy Branch, Tax Legislation Division;
Gérard Lalonde, Director, Tax Legislation Division, Tax Policy
Branch.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 55

Tuesday, December 5, 2006

The Standing Committee on Finance met in a televised session at 10:04 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Michael Savage, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Claude Bachand for Pierre A. Paquette.

In attendance: Library of Parliament: June Dewetering, Principal. *Standing Committee on Finance:* Shaila Anwar, Co-Clerk of the Committee.

Witnesses: Department of Finance: Carlos Achadinha, Chief, Alcohol, Tobacco and Excise Legislation, Tax Policy Branch, Tax Legislation Division; Gérard Lalonde, Director, Tax Legislation Division, Tax Policy Branch.

Pursuant to the Order of Reference of Monday, October 30, 2006, the Committee commenced consideration of Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

Pursuant to Standing Order 75(1), consideration of Clause 1 is postponed.

The Chair called Clause 2.

Debate arose thereon.

By unanimous consent, Clauses 2 to 9 inclusive carried on division.

On Clause 10,

Rick Dykstra moved, — That Bill C-28, in Clause 10, be amended by

(a) replacing lines 40 to 45 on page 27 with the following:

(ii) subject to subparagraph (iii), where the property is, immediately before the taxpayer's death, a share of the capital stock of a family fishing corporation of the taxpayer, a share of the capital stock of a family farm corporation of the taxpayer, an interest in a family fishing partnership of the taxpayer or an interest in a family farm partnership of the taxpayer,

(b) replacing line 46 on page 28 with the following:

to which subsection 100(3) applies), and the taxpayer's legal representative further elects, in the taxpayer's return of income under this Part for the taxation year in which the taxpayer died, to have

this subparagraph apply to the taxpayer in respect of the property,

(c) replacing lines 36 to 39 on page 32 with the following:

(ii) subject to subparagraph (iii), where the property is, immediately before the beneficiary's death, a share of the capital stock of a corporation described in subparagraph (9.3)(c)(i) or (ii) or a partnership interest described in subparagraph (9.3)(c)(iii),

(d) replacing line 22 on page 33 with the following:

est to which subsection 100(3) applies), and the trust further elects, in its return of income under this Part for the taxation year in which the beneficiary died, to have this subparagraph apply to the trust in respect of the property,

After debate, the question was put on the amendment of Rick Dykstra and it was agreed to on division.

Clause 10, as amended, carried on division.

On Clause 11,

Mike Wallace moved, — That Bill C-28, in Clause 11, be amended by

(a) replacing lines 19 to 23 on page 44 with the following:

(a) subject to paragraph (c), where the property was, immediately before the transfer, a share of the capital stock of a family fishing corporation of the taxpayer, a share of the capital stock of a family farm corporation of the taxpayer, an interest in a family fishing partnership of the taxpayer or an interest in a family farm partnership of the taxpayer, the

(b) replacing lines 16 to 20 on page 45 with the following:

(b) subject to paragraph (c), where the property is, immediately before the transfer, a share of the capital stock of a family fishing corporation of the taxpayer, a share of the capital stock of a family farm corporation of the taxpayer, an interest in a family fishing partnership of the taxpayer or an interest in a family farm partnership of the taxpayer, the child is

(c) replacing line 30 on page 45 with the following:

tion 100(3) applies), the taxpayer receives no consideration in respect of the transfer of the property and the taxpayer elects, in the taxpayer's return of income under this Part for the taxation year which includes the time of the transfer, to have this paragraph apply in respect of the transfer of the property,

After debate, the question was put on the amendment of Mike Wallace and it was agreed to on division.

Clause 11, as amended, carried on division.

By unanimous consent, Clauses 12 to 20 inclusive carried on division.

On Clause 21,

Massimo Pacetti moved, — That Bill C-28, in Clause 21, be amended by replacing line 22 on page 70 with the following:

““eligible activity expense” in respect of a”

The Chair ruled the proposed amendment inadmissible because it was beyond the scope of the Bill, as provided on page 654 of House of Commons Procedure and Practice.

Whereupon, Massimo Pacetti appealed the decision of the Chair.

The question: "Shall the decision of the Chair be sustained?" was put and the decision was sustained, by a show of hands: YEAS: 6; NAYS: 5.

The Chair ruled that the following three (3) amendments were consequential to the previous amendment and therefore they were also inadmissible:

That Bill C-28, in Clause 21, be amended by replacing line 32 on page 70 with the following:

“of prescribed activity and, for the”

That Bill C-28, in Clause 21, be amended by replacing line 7 on page 71 with the following:

“prescribed activity.”

That Bill C-28, in Clause 21, be amended by replacing line 27 on page 71 with the following:

“eligible activity expense in respect of the”

Massimo Pacetti moved, — That Bill C-28, in Clause 21, be amended by replacing line 4 on page 71 with the following:

“18 years.”

The question was put on the amendment of Massimo Pacetti and it was negatived, by a show of hands: YEAS: 5; NAYS: 6.

Clause 21 carried on division.

Clause 22 carried on division.

On Clause 23,

Massimo Pacetti moved, — That Bill C-28, in Clause 23, be amended by replacing line 43 on page 72 with the following:

“(a) \$200 is multiplied by the number of”

The question was put on the amendment of Massimo Pacetti and it was negatived on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Michael Savage, Judy Wasylycia-Leis — 5; NAYS: Diane Ablonczy, Claude Bachand, Dean Del Mastro, Rick Dykstra,

Thierry St-Cyr, Mike Wallace — 6.

Massimo Pacetti moved, — That Bill C-28, in Clause 23, be amended by replacing line 1 on page 73 with the following:

“(b) \$60 is multiplied by the number of”

The question was put on the amendment of Massimo Pacetti and it was negated on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Michael Savage, Judy Wasylycia-Leis — 5; NAYS: Diane Ablonczy, Claude Bachand, Dean Del Mastro, Rick Dykstra, Thierry St-Cyr, Mike Wallace — 6.

Clause 23 carried.

By unanimous consent, Clauses 24 to 34 inclusive carried on division.

On new Clause 34.1,

Dean Del Mastro moved, — That Bill C-28 be amended by adding after line 34 on page 90 the following new clause:

“**34.1** (1) Subparagraph 127.52(1)(h)(i) of the Act is replaced by the following:

(i) the amounts deducted under any of subsections 110(2), 110.6(2), (2.1), (2.2), (3) and (12) and 110.7 (1),

(2) Subsection (1) applies to taxation years that end on or after May 2, 2006.”

After debate, the question was put on the amendment of Dean Del Mastro and it was agreed to on division.

Clause 34.1 carried.

By unanimous consent, Clauses 35 to 38 inclusive carried on division.

On Clause 39,

Mike Wallace moved, — That Bill C-28, in Clause 39, be amended by replacing lines 26 to 27 on page 92 with the following:

(a) the amount is paid under the letter of

After debate, the question was put on the amendment of Mike Wallace and it was agreed to on division.

Clause 39, as amended, carried.

After debate, Clause 40 carried on the following recorded division: YEAS: Diane Ablonczy, Claude Bachand, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Massimo Pacetti, Michael Savage, Thierry St-Cyr, Mike Wallace — 10; NAYS: Judy Wasylycia-Leis — 1.

After debate, Clause 41 carried on the following recorded division: YEAS: Diane Ablonczy, Claude

Bachand, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Massimo Pacetti, Michael Savage, Thierry St-Cyr, Mike Wallace — 10; NAYS: Judy Wasylycia-Leis — 1.

Clause 42 carried on the following recorded division: YEAS: Diane Ablonczy, Claude Bachand, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Massimo Pacetti, Michael Savage, Thierry St-Cyr, Mike Wallace — 10; NAYS: Judy Wasylycia-Leis — 1.

Clause 43 carried on the following recorded division: YEAS: Diane Ablonczy, Claude Bachand, Dean Del Mastro, Rick Dykstra, John McCallum, Thierry St-Cyr, Mike Wallace — 7; NAYS: Judy Wasylycia-Leis — 1.

On Clause 43.1,

Dean Del Mastro moved, — That Bill C-28 be amended by adding after line 9 on page 96 the following new clause:

“**43.1** (1) Subparagraph 74.4(2)(b)(ii) of the French version of the Act is replaced by the following:

(ii) les sommes incluses dans le revenu du particulier pour l'année en application des paragraphes 82(1) ou 90(1) au titre de dividendes imposables qu'il a reçus au cours de l'année, sauf les dividendes réputés reçus en vertu de l'article 84, soit sur les actions reçues de la société en contrepartie du transfert ou en remboursement du prêt qui sont, au moment de la réception des dividendes, une contrepartie exclue, soit sur des actions y substituées qui sont, à ce moment, une contrepartie exclue;

(2) Paragraph 74.4(2)(f) of the Act is replaced by the following:

(f) all amounts included in the individual's income for the taxation year pursuant to subsection 82(1) or 90(1) in respect of taxable dividends received (other than dividends deemed by section 84 to have been received) by the individual in the year on shares that were received from the corporation as consideration for the transfer or as repayment for the loan that were excluded consideration at the time the dividends were received or on shares substituted therefor that were excluded consideration at that time, and

(3) Subsections (1) and (2) apply to amounts received after 2005.”

After debate, the question was put on the amendment of Dean Del Mastro and it was agreed to on division.

Clause 43.1 carried on division.

By unanimous consent, Clauses 44 to 46 inclusive carried on division.

On Clause 47,

Dean Del Mastro moved, — That Bill C-28, in Clause 47, be amended by adding after line 21 on page 118 the following:

(c) in applying the definition “low rate income pool” in subsection 89(1) of the Act, as enacted by subsection (1), for taxation years that began before 2006, the description of B in that definition shall be read as follows:

B is the total of all amounts each of which is an amount deductible under section 112 in computing the non-CCPC's taxable income for the year in respect of a taxable dividend (other than an eligible dividend) that became payable, in the particular taxation year and after 2005, but before the particular time, to the non-CCPC by a corporation resident in Canada,

After debate, the question was put on the amendment of Dean Del Mastro and it was agreed to on division.

Clause 47, as amended, carried on division.

By unanimous consent, Clauses 48 to 63 inclusive carried on division.

The Short Title carried.

The Title carried on division.

The Bill, as amended, carried on division.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-28, as amended, be reprinted for the use of the House at report stage.

At 11:26 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/12/06 2:33 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 56

Thursday, December 7, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Michael Savage,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

André Bellavance for Thierry St-Cyr,
and Hon. Joe McGuire for Hon. John McCallum.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.

Library of Parliament:

June Dewetering, Principal;
Sheena Starky, Analyst.

APPEARING:

Hon. Carol Skelton, Minister of National Revenue.

WITNESSES:

Canada Revenue Agency:

Connie Roveto, Chair, Board of Management;
Michel Dorais, Commissioner;
William V. Baker, Deputy Commissioner and Chief Operating Officer;
James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch;
Deborah MacDonald-McGee, Corporate Secretary.

Office of the Auditor General of Canada:

Marian McMahon, Principal.

Connie Roveto made a statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston
Clerk of the Committee



Close

MINUTES OF PROCEEDINGS

Meeting No. 56

Thursday, December 7, 2006

The Standing Committee on Finance met at 3:36 p.m. this day, in Room 362, East Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Michael Savage, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: André Bellavance for Thierry St-Cyr and Hon. Joe McGuire for Hon. John McCallum.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Sheena Starky, Analyst.

Appearing: Hon. Carol Skelton, Minister of National Revenue.

Witnesses: Canada Revenue Agency: Connie Roveto, Chair, Board of Management; Michel Dorais, Commissioner; William V. Baker, Deputy Commissioner and Chief Operating Officer; James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch; Deborah MacDonald-McGee, Corporate Secretary. *Office of the Auditor General of Canada:* Marian McMahon, Principal.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee resumed the study of the first five years of the Statutory Review of the Act.

The Minister made a statement and, with the other witnesses, answered questions.

Connie Roveto made a statement and, with the other witnesses, answered questions.

At 5:30 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/12/12 10:33 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 57

Tuesday, December 12, 2006

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee commenced the study of the first five years of the Statutory review of the Act.

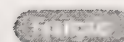
MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Michael Savage,
Thierry St-Cyr
and Mike Wallace.

IN ATTENDANCE:

Standing Committee on Finance:
Shaila Anwar, Co-Clerk of the Committee.
Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst;
Sheena Starky, Analyst.

Elizabeth B. Kingston
Clerk of the Committee



Close

MINUTES OF PROCEEDINGS

Meeting No. 57

Tuesday, December 12, 2006

The Standing Committee on Finance met *in camera* at 10:04 a.m. this day, in Room 237-C, Centre Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Michael Savage, Thierry St-Cyr and Mike Wallace.

In attendance: Standing Committee on Finance: Shaila Anwar, Co-Clerk of the Committee. *Library of Parliament:* June Dewetering, Principal; Alexandre Laurin, Analyst; Sheena Starky, Analyst.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, the Committee resumed the study of the Statutory Review of the first five years of the Act .

The Committee commenced consideration of its draft report.

At 10:05 a.m., the sitting was suspended.

At 10:26 a.m., the sitting resumed.

The Committee resumed consideration of its draft report.

It was agreed, — That the evidence and documentation presented to the Standing Committee on Finance during the First Session of the 38th Parliament in relation to its study pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act of the Statutory Review of the first five years of the Act, be deemed received by the Committee in this session of the 39th Parliament.

It was agreed, — That the draft report, as amended, be adopted.

It was agreed, — That the Chair, Clerk and analyst be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Vice-Chair present the report to the House.

At 11:31 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2006/12/12 3:15 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 58

Wednesday, January 17, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 106(4), the Committee commenced consideration of the request by four (4) members of the Committee requesting that the Committee organize and hold hearings on the government's decision to tax income trusts.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Ted Menzies for Dean Del Mastro,
Richard Nadeau for Thierry St-Cyr,
Hon. Jim Peterson for Michael Savage,
and Paul Szabo for Hon. John McKay.

IN ATTENDANCE:

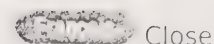
Library of Parliament:

June Dewetering, Principal.

Parliamentary Information and Research Service:

Alexandre Laurin, analyst.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 58

Wednesday, January 17, 2007

The Standing Committee on Finance met in a televised session at 10:04 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Ted Menzies for Dean Del Mastro, Richard Nadeau for Thierry St-Cyr, Hon. Jim Peterson for Michael Savage and Paul Szabo for Hon. John McKay.

In attendance: Library of Parliament: June Dewetering, Principal. *Parliamentary Information and Research Service:* Alexandre Laurin, analyst.

Pursuant to Standing Order 106(4), the Committee commenced consideration of the request by four (4) members of the Committee requesting that the Committee organize and hold hearings on the government's decision to tax income trusts.

John McCallum moved, — That the Finance Committee invite expert witnesses to appear, including officials from the Department of Finance, to testify in regards to the decision to tax income trusts. At least six hours are to be allocated for these meetings to be held before February 2, 2007.

Pierre A. Paquette moved, — That the motion be amended by adding after the words "to be held", the following:

"beginning".

The question was put on the amendment of Pierre A. Paquette and it was agreed to, by a show of hands: YEAS: 6; NAYS: 5.

Debate resumed on the motion, as amended.

Pierre A. Paquette moved, — That the motion be further amended by adding before the words, "That the Finance Committee", the following:

That notwithstanding the Standing Committee on Finance's support for Ways and Means Motion no. 10 adopted by the House of Commons on November 7, 2006.

The question was put on the amendment of Pierre A. Paquette and it was agreed to, by a show of hands: YEAS: 6; NAYS: 5.

Debate resumed on the motion, as amended

Rick Dykstra moved, — That the motion be further amended by adding after the words, "to tax income trusts", the following:

including all witnesses and individuals under the previous Liberal Government's mishandling of the Income Trust issue.

The question was put on the amendment of Rick Dykstra and it was negatived, by a show of hands: YEAS: 5; NAYS: 6.

Debate resumed on the motion, as amended.

Mike Wallace moved. — That the motion be further amended by deleting the words, "before February 2, 2007" and by substituting the following:

within the first 30 sitting days.

The question was put on the amendment of Mike Wallace and it was negatived, by a show of hands: YEAS: 5; NAYS: 6.

Debate resumed on the motion, as amended.

Massimo Pacetti moved, — That the motion be further amended by adding after the words, "to tax income trusts," the following:

with a view to preparing a report for the Minister of Finance.

The question was put on the amendment of Massimo Pacetti and it was agreed to, by a show of hands: YEAS: 6; NAYS: 5.

Debate resumed on the motion, as amended.

The question was put on the motion, as amended, and it was agreed to, by a show of hands: YEAS: 6; NAYS: 5.

At 11:27 a.m., the sitting was suspended.

At 11:35 a.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

At 11:52 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/01/18 2:51 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 59

Tuesday, January 30, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study on Income trusts. .

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Paul Crête for Thierry St-Cyr,
and Paul Szabo for Hon. Robert Thibault.

OTHER MEMBERS PRESENT:

Hon. Jim Peterson
and Hon. Garth Turner.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

WITNESSES:

Department of Finance:

Robert Wright, Deputy Minister;
Mark Carney, Senior Associate Deputy Minister, G-7 Deputy for
Canada;
Bob Hamilton, Senior Assistant Deputy Minister, Tax Policy
Branch;
Brian Ernewein, General Director, Tax Legislation Division, Tax
Policy Branch.

As an Individual:

Dianne Urquhart, Independent Consulting Analyst.

Canadian Association of Income Funds:

George Kesteven, President.

Canadian Association of Income Trust Investors:

Brent D. Fullard, President and Chief Executive Officer.

Total Asset Management Research & Investment Rights Consultancy:

Andrew Teasdale.

Canada's Association for the Fifty-Plus:

William Gleberzon, Co-Director, Government and Media
Relations.

BMO Capital Markets:

Cameron Renkas, Royalty and Income Trust Analyst.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 59

Tuesday, January 30, 2007

The Standing Committee on Finance met in a televised session at 11:06 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Paul Crête for Thierry St-Cyr and Paul Szabo for Hon. Robert Thibault.

Other Members present: Hon. Jim Peterson and Hon. Garth Turner.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Department of Finance: Robert Wright, Deputy Minister; Mark Carney, Senior Associate Deputy Minister, G-7 Deputy for Canada; Bob Hamilton, Senior Assistant Deputy Minister, Tax Policy Branch; Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch. *As an individual:* Dianne Urquhart, Independent Consulting Analyst. *Canadian Association of Income Funds:* George Kesteven, President. *Canadian Association of Income Trust Investors:* Brent D. Fullard, President and Chief Executive Officer. *Total Asset Management Research & Investment Rights Consultancy:* Andrew Teasdale. *Canada's Association for the Fifty-Plus:* William Gleberzon, Co-Director, Government and Media Relations. *BMO Capital Markets:* Cameron Renkas, Royalty and Income Trust Analyst.

Pursuant to Standing Order 108(2), the Committee commenced its study on Income trusts.

The Minister made a statement and answered questions.

At 11:53 a.m., Massimo Pacetti took the Chair.

At 11:55 a.m., Brian Pallister took the Chair.

At 12:11 p.m., the sitting was suspended.

At 12:14 p.m., the sitting resumed.

The witnesses made statements and answered questions.

At 1:25 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston

Clerk of the Committee

2007/01/30 3:47 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 60

Thursday, February 1, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study on Income trusts.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Wayne Marston for Judy Wasylycia-Leis,
and Hon. Jim Peterson for Massimo Pacetti.

ASSOCIATE MEMBERS PRESENT:

Paul Szabo.

OTHER MEMBERS PRESENT:

Hon. Jim Peterson.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

As an Individual:

Yves L. Fortin.

BMO Capital Markets:

Gordon C. Tait, Managing Director and Research Analyst.

Manulife Financial:

Dominic D'Alessandro, President and Chief Executive Officer.

Bank of Canada:

David A. Dodge, Governor.

Desjardins Securities Inc.:

Jeffrey F. Olin, Managing Director, Ontario, Head of Investment
Banking.

Standard and Poors:

Kevin Hibbert, Chief Accountant.

Canadian Institute of Chartered Accountants:

Kevin Dancey, President and Chief Executive Officer.

National Pensioners and Senior Citizens Federation:

Art Field, President.

RBC Capital Markets:

Dirk M. Lever, Managing Director, Global Equity Research, Chief
Income Trust Strategist.

University of Toronto:

Ramy Elitzur, The Edward Kernaghan Professor, Financial
Analysis Rotman School of Management.

Coalition of Canadian Energy Trusts:

Gordon Kerr, Co-Chair.

HDR|HLB Decision Economics:

Dennis Bruce, Vice-President.

Government of Prince Edward Island:

Hon. Mitchell Murphy, Provincial Treasurer, Department of
Provincial Treasury.

Department of Finance:

Brian Ernewein, General Director, Tax Legislation Division, Tax
Policy Branch;

Denis Normand, Senior Chief, Financial Institutions, Business
Income Tax Division, Tax Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 60

Thursday, February 1, 2007

The Standing Committee on Finance met in a televised session at 11:00 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Wayne Marston for Judy Wasylycia-Leis and Hon. Jim Peterson for Massimo Pacetti.

Associate Members present: Paul Szabo.

Other Members present: Hon. Jim Peterson.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: As an individual: Yves L. Fortin. *BMO Capital Markets:* Gordon C. Tait, Managing Director and Research Analyst. *Manulife Financial:* Dominic D'Alessandro, President and Chief Executive Officer. *Bank of Canada:* David A. Dodge, Governor. *Desjardins Securities Inc.:* Jeffrey F. Olin, Managing Director, Ontario, Head of Investment Banking. *Standard and Poors:* Kevin Hibbert, Chief Accountant. *Canadian Institute of Chartered Accountants:* Kevin Dancey, President and Chief Executive Officer. *National Pensioners and Senior Citizens Federation:* Art Field, President. *RBC Capital Markets:* Dirk M. Lever, Managing Director, Global Equity Research, Chief Income Trust Strategist. *University of Toronto:* Ramy Elitzur, The Edward Kernaghan Professor, Financial Analysis Rotman School of Management. *Coalition of Canadian Energy Trusts:* Gordon Kerr, Co-Chair. *HDR|HLB Decision Economics:* Dennis Bruce, Vice-President. *Government of Prince Edward Island:* Hon. Mitchell Murphy, Provincial Treasurer, Department of Provincial Treasury. *Department of Finance:* Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch; Denis Normand, Senior Chief, Financial Institutions, Business Income Tax Division, Tax Policy Branch.

Pursuant to Standing Order 108(2), the Committee resumed its study on Income trusts.

On motion of John McCallum, it was agreed, — That the meeting time be extended to 1:30 p.m. the first panel being from 11:00 a.m. to 12:15 p.m., and the second panel from 12:15 to 1:30 p.m..

The witnesses made statements and answered questions.

At 12:12 p.m., the sitting was suspended.

At 12:16 p.m., the sitting resumed.

The witnesses made statements and answered questions.

At 1:22 p.m., the sitting was suspended.

At 1:26 p.m., the sitting resumed.

The Committee proceeded to the consideration of matters related to committee business.

John McCallum moved, — **ORDERED** - That the Department of Finance provide the Standing Committee on Finance, no later than 11:00 a.m. on Tuesday, February 6, 2007, all documents and information used to justify the government's decision to tax income trusts, as announced on October 31, 2006.

The question was put on the motion and it was agreed to, by a show of hands: YEAS: 7; NAYS: 4.

At 1:31 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/02 4:11 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 61

Tuesday, February 6, 2007

IN CAMERA

 Close

MINUTES OF PROCEEDINGS

Meeting No. 61

Tuesday, February 6, 2007

The Standing Committee on Finance met *in camera* at 11:02 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault and Mike Wallace.

Acting Members present: Hon. Jim Peterson for Massimo Pacetti.

Associate Members present: Paul Szabo.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Pursuant to Standing Order 108(2), the Committee resumed its study on Income trusts.

It was agreed, — That the Standing Committee on Finance extend its hearings on income trusts by holding one additional three hour meeting on 13 February, 2007. The meeting shall run from 1000hrs to 1300hrs and consist of two 60 minute panels consisting of a maximum of six witnesses each and the last hour to be used to consider the draft report to the House.

At 11:08 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/07 4:45 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 62

Thursday, February 8, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Wednesday, June 7, 2006, the Committee resumed consideration of Bill C-294, An Act to amend the Income Tax Act (sports and recreation programs).

Pursuant to the Order of Reference of Wednesday, November 8, 2006, the Committee commenced consideration of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions).

Pursuant to the Order of Reference of Wednesday, June 7, 2006, the Committee resumed consideration of Bill C-294, An Act to amend the Income Tax Act (sports and recreation programs).

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Jean-Claude D'Amours for Hon. Robert Thibault.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst;

Philippe Bergevin, Analyst.

House of Commons:

Marc Toupin, Legislative Clerk.

WITNESSES:

Maritime Junior Hockey League:

Vernon Doyle, President.

House of Commons:

Brian Fitzpatrick, Prince Albert.

Canadian Association of Not-for-Profit RESP Dealers:

Peter Lewis, Vice-President, Administration, Canadian Scholarship Trust.

House of Commons:

Hon. Dan McTeague, Pickering—Scarborough East.

Saskatchewan Junior Hockey League:

Laury Ryan, President.

Department of Finance:

Edward Short, Senior Tax Policy Officer, Tax Legislation Division, Tax Policy Branch;

Baxter Williams, Director, Personal Income Tax Division, Tax Policy Branch;

David Wurtele, Senior Tax Policy Officer, Tax Legislation Division, Tax Policy Branch;

Glen Bradburry, Executive Assistant, Honourable Dan McTeague.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 62

Thursday, February 8, 2007

The Standing Committee on Finance met in a televised session at 11:03 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Jean-Claude D'Amours for Hon. Robert Thibault.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; Philippe Bergevin, Analyst. *House of Commons:* Marc Toupin, Legislative Clerk.

Witnesses: Maritime Junior Hockey League: Vernon Doyle, President. *House of Commons:* Brian Fitzpatrick, Prince Albert. *Canadian Association of Not-for-Profit RESP Dealers:* Peter Lewis, Vice-President, Administration, Canadian Scholarship Trust. *House of Commons:* Hon. Dan McTeague, Pickering—Scarborough East. *Saskatchewan Junior Hockey League:* Laury Ryan, President. *Department of Finance:* Edward Short, Senior Tax Policy Officer, Tax Legislation Division, Tax Policy Branch; Baxter Williams, Director, Personal Income Tax Division, Tax Policy Branch; David Wurtele, Senior Tax Policy Officer, Tax Legislation Division, Tax Policy Branch; Glen Bradbury, Executive Assistant, Honourable Dan McTeague.

Pursuant to the Order of Reference of Wednesday, June 7, 2006, the Committee commenced consideration of Bill C-294, An Act to amend the Income Tax Act (sports and recreation programs).

The witnesses made statements and answered questions.

Pursuant to the Order of Reference of Wednesday, November 8, 2006, the Committee commenced consideration of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions).

The witnesses made statements and answered questions.

Pursuant to the Order of Reference of Wednesday, June 7, 2006, the Committee resumed consideration of Bill C-294, An Act to amend the Income Tax Act (sports and recreation programs).

The Committee commenced its clause-by-clause study of the Bill.

The Chair called Clause 1.

Diane Ablonczy moved, — That Bill C-294, in Clause 1, be amended by replacing lines 7 to 24 on page 1 with the following:

“(v.1) allowances for board and lodging of the taxpayer, to a maximum total of \$300 for each month of the year, if

(A) the taxpayer is, in that month, a registered participant with, or member of, a sports team or recreation program of the employer in respect of which membership or participation is restricted to persons under 21 years of age,

(B) the allowance is in respect of the taxpayer's participation or membership and is not attributable to services of the taxpayer as a coach, instructor trainer, referee, administrator or other similar occupation,

(C) the employer is a registered charity or a non-profit organization described in paragraph 149(1)(l), and

(D) the allowance is reasonably attributable to the cost to the taxpayer of living away from the place where the employee would, but for the employment, ordinarily reside,

2. The portion of subsection 117.1(1) of the Act before paragraph (a) is replaced by the following:

117.1 (1) Each of the amounts expressed in dollars in subparagraph 6(1)(b)(v.1), subsection 117(2), the description of B in subsection 118(1), subsections 118(2) and 118.01(2), the descriptions of C and F in subsection 118.2(1), subsections 118.3(1), 122.5(3) and 122.51(1) and (2) and Part I.2 in relation to tax payable under this Part or Part I.2 for a taxation year shall be adjusted so that the amount to be used under those provisions for the year is the total of

3. Sections 1 and 2 apply to taxation years that end after the day on which this Act is assented to.

4. If Bill C-28, introduced in the 1st session of the 39th Parliament and entitled the *Budget Implementation Act, 2006*, No. 2 (in this section referred to as the "other Act"), receives royal assent, then, on the later of the day on which section 19 of the other Act comes into force and the day on which section 2 of this Act comes into force, the portion of subsection 117.1(1) of the *Income Tax Act* before paragraph (a) is replaced by the following:

117.1 (1) The amount of \$1,000 referred to in the formula in paragraph 8(1)(s) and each of the amounts expressed in dollars in subparagraph 6(1)(b)(v.1), subsection 117(2), the description of B in subsection 118(1), subsection 118(2), paragraph (a) of the description of B in subsection 118(10), subsection 118.01(2), the descriptions of C and F in subsection 118.2(1), subsections 118.3(1), 122.5(3) and 122.51(1) and (2) and Part I.2 in relation to tax payable under this Part or Part I.2 for a taxation year shall be adjusted so that the amount to be used under those provisions for the year is the total of"

By unanimous consent, after debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

By unanimous consent, Clause 1, as amended, carried.

By unanimous consent, new clauses 2 to 4 inclusive carried severally.

The Title carried.

The Bill, as amended, carried.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-294, as amended, be reprinted for the use of the House at report stage.

At 12:34 p.m., the sitting was suspended.

At 12:38 p.m., the sitting resumed.

The Committee proceeded to matters related to Committee Business.

Thierry St-Cyr moved, — That the members of the Committee analyze by March 2, 2007, the advisability of substantially reducing the incentives provided to oil companies, especially as regards the development of the tar sands, in order to provide some leeway to increase the tax incentives for renewable energy forms, and that the Finance Committee devote for this purpose:

- 2 sessions before February 23 to call to appear officials from the Canada Revenue Agency, the Finance Department and the Office of the Auditor General, representatives from the oil industry, the renewable energy sector and environmental groups.

- 1 session before March 1 to consider and prepare its recommendations to the Minister.

It was agreed, — That the motion be amended by replacing the word “analyze” with the word “consider”.

It was agreed, — That the motion be further amended by deleting the words “2 sessions before February 23”.

After debate, the question was put on the motion, as amended, and it was agreed to, by a show of hands: YEAS: 6; NAYS: 5.

At 1:08 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/12 4:34 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

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Meeting No. 63

Tuesday, February 13, 2007

IN CAMERA



Close

MINUTES OF PROCEEDINGS

Meeting No. 63

Tuesday, February 13, 2007

The Standing Committee on Finance met *in camera* at 10:34 a.m. this day, in Room 208, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Paul Szabo for Hon. John McCallum.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

The Committee proceeded to the consideration of matters related to Committee business.

The Chair presented the First Report from the Subcommittee on Agenda and Procedure which reads as follows:

1. That with respect to Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters, the hearing dates be as follows:

February 15, 19, 20, 21, 2007, with a report to the House no later than the 22nd of February, 2007.

2. That the Committee prepare a Report to the House, requesting an extension for consideration of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions), and Bill C-305, An Act to amend the Income Tax Act (exemption from taxation of 50% of United States social security payments to Canadian residents).

3. That a meeting respecting the motion concerning the Oil Sands be held on Tuesday, February 27, 2007.

4. That an informal meeting be scheduled with members and staff of the Standing Committee on Natural Resources respecting the Oil Sands study and that the working group report to the Main Committee next Tuesday, February 27, 2007.

It was agreed, — That the First Report be concurred in.

At 10:47 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 64

Tuesday, February 13, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study on Income trusts.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ASSOCIATE MEMBERS PRESENT:

Paul Szabo.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

As Individuals:

William Barrowclough;
Don Francis;
Jean-Marie Lapointe;
Dave Marshall;
Dianne Urquhart, Independent Consulting Analyst.

HDR\HLB Decision Economics:

Dennis Bruce, Vice-President.

Pengrowth Corporation:

Jim Kinnear, President and Chief Executive Officer.

C.D. Howe Institute:

Finn Poschmann, Director of Research.

Rosen & Associates Limited:

Al Rosen, President.

Department of Finance:

Denis Normand, Senior Chief, Financial Institutions, Business
Income Tax Division, Tax Policy Branch;
Brian Ernewein, General Director, Tax Legislation Division, Tax
Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 64

Tuesday, February 13, 2007

The Standing Committee on Finance met in a televised session at 11:07 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Associate Members present: Paul Szabo.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: As individuals: William Barrowclough; Don Francis; Jean-Marie Lapointe; Dave Marshall; Dianne Urquhart, Independent Consulting Analyst. *HDR|HLB Decision Economics:* Dennis Bruce, Vice-President. *Pengrowth Corporation:* Jim Kinnear, President and Chief Executive Officer. *C.D. Howe Institute:* Finn Poschmann, Director of Research. *Rosen & Associates Limited:* Al Rosen, President. *Department of Finance:* Denis Normand, Senior Chief, Financial Institutions, Business Income Tax Division, Tax Policy Branch; Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch.

Pursuant to Standing Order 108(2), the Committee resumed its study on Income trusts.

The witnesses made statements and answered questions.

It was agreed, — That documents available in English only be distributed to committee members for purposes of this meeting only.

At 12:09 p.m., the sitting was suspended.

At 12:12 p.m., the sitting resumed.

At 1:04 p.m., the sitting was suspended.

At 1:21 p.m., the sitting resumed.

The Committee commenced consideration of a draft report.

It was agreed, — That the draft report be considered once it has been revised.

At 1:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston

Clerk of the Committee

2007/02/15 2:22 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 65

Thursday, February 15, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Thierry St-Cyr
and Hon. Robert Thibault.

ACTING MEMBERS PRESENT:

Wayne Marston for Judy Wasylycia-Leis,
Rick Norlock for Brian Pallister,
and Bradley R. Trost for Mike Wallace.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

WITNESSES:

Department of Finance:

Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch;
Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division;
Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch;
Eleanor Ryan, Chief, Structural Issues, Financial Institutes Division, Financial Sector Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 65

Thursday, February 15, 2007

The Standing Committee on Finance met at 10:11 a.m. this day, in Room 269, West Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Thierry St-Cyr and Hon. Robert Thibault.

Acting Members present: Wayne Marston for Judy Wasylycia-Leis, Rick Norlock for Brian Pallister and Bradley R. Trost for Mike Wallace.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Department of Finance: Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch; Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division; Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch; Eleanor Ryan, Chief, Structural Issues, Financial Institutes Division, Financial Sector Policy Branch.

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

The Minister made a statement and, with the other witnesses, answered questions.

At 11:00 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/15 5:15 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 66

Thursday, February 15, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Thierry St-Cyr
and Hon. Robert Thibault.

ACTING MEMBERS PRESENT:

Catherine Bell for Judy Wasylycia-Leis,
Larry Miller for Brian Pallister,
and Rick Norlock for Mike Wallace.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Department of Finance:

Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch;

Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division;

Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch;

Eleanor Ryan, Chief, Structural Issues, Financial Institutions Division, Financial Sector Policy Branch.

Canadian Bankers Association:

Terry Campbell, Vice-President, Policy;

Karen Michell, Vice-President, Banking Operations;

Linda Routledge, Director, Consumer Affairs.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 66

Thursday, February 15, 2007

The Standing Committee on Finance met in a televised session at 11:19 a.m. this day, in Room 237-C, Centre Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Thierry St-Cyr and Hon. Robert Thibault.

Acting Members present: Catherine Bell for Judy Wasylycia-Leis, Larry Miller for Brian Pallister and Rick Norlock for Mike Wallace.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Department of Finance: Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch; Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division; Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch; Eleanor Ryan, Chief, Structural Issues, Financial Institutes Division, Financial Sector Policy Branch. *Canadian Bankers Association:* Terry Campbell, Vice-President, Policy; Karen Michell, Vice-President, Banking Operations; Linda Routledge, Director, Consumer Affairs.

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

It was agreed, — That the budget of \$9,200.00 for the Committee's study on Bill C-37, be approved.

The witnesses made statements and answered questions.

At 12:33 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/15 5:15 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 67

Monday, February 19, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Patricia Davidson for Diane Ablonczy,
Roger Gaudet for Thierry St-Cyr,
and Rick Norlock for Brian Pallister.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Life and Health Insurance Association Inc.:

Frank Zinatelli, Vice-President and Associate General Counsel.

Public Interest Advocacy Centre:

John Lawford, Counsel.

Credit Union Central of Canada:

David Phillips, President and Chief Executive Officer.

Genworth Financial Canada:

Winsor Macdonell, Senior Vice-President and General Counsel.

Canadian Community Reinvestment Coalition:

Duff Conacher, Chairperson.

Canadian Association of Mutual Insurance Companies:

Normand Lafrenière, President.

Financial Consumer Agency of Canada:

Jim Callon, Acting Commissioner.

As an Individual:

Richard Bouchard.

Office of the Superintendent of Financial Institutions Canada:

Julie Dickson, Acting Superintendent, Financial Institutions.

Canadian Payments Association:

Guy Legault, President and Chief Executive Officer.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 67

Monday, February 19, 2007

The Standing Committee on Finance met at 3:34 p.m. this day, in Room 269, West Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Patricia Davidson for Diane Ablonczy, Roger Gaudet for Thierry St-Cyr and Rick Norlock for Brian Pallister.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Canadian Life and Health Insurance Association Inc.: Frank Zinatelli, Vice-President and Associate General Counsel. *Public Interest Advocacy Centre:* John Lawford, Counsel. *Credit Union Central of Canada:* David Phillips, President and Chief Executive Officer. *Genworth Financial Canada:* Winsor Macdonell, Senior Vice-President and General Counsel. *Canadian Community Reinvestment Coalition:* Duff Conacher, Chairperson. *Canadian Association of Mutual Insurance Companies:* Normand Lafrenière, President. *Financial Consumer Agency of Canada:* Jim Callon, Acting Commissioner. *As an individual:* Richard Bouchard. *Office of the Superintendent of Financial Institutions Canada:* Julie Dickson, Acting Superintendent, Financial Institutions. *Canadian Payments Association:* Guy Legault, President and Chief Executive Officer.

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee resumed consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

The witnesses made statements and answered questions.

At 4:56 p.m., the sitting was suspended.

At 5:03 p.m., the sitting resumed.

The witnesses made statements and answered questions.

At 6:28 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/21 10:08 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 68

Tuesday, February 20, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee commenced consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Mike Allen for Brian Pallister.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst;

June Dewetering, Principal.
House of Commons:
Marc Toupin, Legislative Clerk.

WITNESSES:

Department of Finance:

Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch;
Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division;
Eleanor Ryan, Chief, Structural Issues, Financial Institutes Division, Financial Sector Policy Branch;
Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee



Close

MINUTES OF PROCEEDINGS

Meeting No. 68

Tuesday, February 20, 2007

The Standing Committee on Finance met in a televised session at 11:10 a.m. this day, in Room 269, West Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Mike Allen for Brian Pallister.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; June Dewetering, Principal. *House of Commons:* Marc Toupin, Legislative Clerk.

Witnesses: Department of Finance: Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch; Colleen Barnes, Senior Chief, Strategic Planning and Trade, Financial Institutions Division; Eleanor Ryan, Chief, Structural Issues, Financial Institutes Division, Financial Sector Policy Branch; Pascale Dugré-Sasseville, Senior Project Leader, Financial Institutions Division, Strategic Planning and Trade, Financial Sector Policy Branch.

Pursuant to the Order of Reference of Thursday, December 7, 2006, the Committee resumed consideration of Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

The Committee commenced its clause-by-clause study of the Bill.

The Chair called Clause 1.

By unanimous consent, Clauses 1 to 19 inclusive carried severally.

On Clause 20,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 20, be amended by replacing line 4 on page 8 with the following:

“approval of Parliament, acquire control, within”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 20 carried.

Clause 21 carried.

Clause 22 carried.

On new Clause 22.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 7 on page 9 the following new clause:

“22.1 (1) Subparagraph 410(3)(b)(ii) of the Act is replaced by the following:

(ii) the provision of services referred to in paragraph 409(2)(c) or (d); and

(2) Subsection 410(3) of the Act is amended by striking out the word “and” at the end of paragraph (b), by adding the word “and” at the end of paragraph (c) and by adding the following after paragraph (c):

(d) respecting the rights, liabilities and responsibilities of participants in prescribed electronic funds transfer systems and respecting individual consumer rights.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

By unanimous consent, Clauses 23 to 28 inclusive carried severally.

By unanimous consent, Clause 27 previously carried was reconsidered.

On Clause 27,

Thierry St-Cyr moved, — That Bill C-37, in Clause 27, be amended by adding after line 43 on page 11 the following:

“(1.1) The bank shall not claim any amount from or enforce a security interest against the victim of an identity theft resulting from a contract between the bank and a person who has appropriated the identity of the victim. On the request of the victim, the bank shall cancel any security interest registered by the bank on the basis of such a contract.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

Clause 27 carried.

On Clause 29,

Diane Ablonczy moved, — That Bill C-37, in Clause 29, be amended by replacing line 14 on page 13 with the following:

“is made, in so far as it is known to the bank:”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 29, as amended, carried.

Clause 30 carried.

On new Clause 30.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 40 on page 14 the following new clause:

“30.1 The Act is amended by adding the following after section 447:

447.1 A bank shall not make a charge, to its customers or to the public, for an electronic funds transfer or the communication of account information initiated from an automated banking machine, whether the machine is owned or operated by the bank or by another person.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

On Clause 31,

Diane Ablonczy moved, — That Bill C-37, in Clause 31, be amended by replacing line 1 on page 15 to line 13 on page 16 with the following:

“448.3 (1) Subject to subsection (2), a bank shall not open an account that is or forms part of a registered product in the name of a customer, or enter into an agreement with a customer for a prescribed product or service that is or forms part of a registered product, unless the bank provides, in the prescribed manner, to the individual requesting the account or the prescribed product or service

(a) information about all charges applicable to the registered product;

(b) information about how the customer will be notified of any increase in those charges and of any new charges applicable to the registered product;

(c) information about the bank’s procedures relating to complaints about the application of any charge applicable to the registered product; and

(d) any other information that may be prescribed.

(2) The Governor in Council may make regulations specifying the circumstances under which a bank need not provide the information.

(3) In this section, “registered product”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the Committee be amended by adding in subsection 448.3(1) (a) after the words “registered product” the following:

“, including all charges arising from the use of an automated banking machine;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the

Committee be amended by adding in subsection 448.3(1) (a) after the words “registered product” the following:

“that gives equal prominence to each charge;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

Clause 31, as amended, carried.

On new Clause 31.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 15 on page 16 the following new clause:

“31.1 Section 451 of the Act is renumbered as subsection 451(1) and is amended by adding the following:

(2) The cost of borrowing in respect of a credit, payment or charge card shall not exceed the sum of the prime lending rate of the bank and 5%.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

On Clause 32,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 32, be amended by replacing line 16 on page 16 with the following:

“32. (1) Paragraph 455(1)(a) of the Act is replaced by the following

(a) establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from a bank that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;

(2) Section 455 of the Act is amended by”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 32 carried.

Clause 33 carried.

On Clause 34,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 34, be amended by replacing line 42 on page 16 with the following:

“regulations respecting the maximum period, which shall not exceed 24 hours,”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 34 carried.

On new Clause 34.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 4 on page 17 the following new clause:

“34.1 Section 459 of the Act is amended by adding the following after paragraph (a):

(a.1) requiring a bank to establish procedures for informing a customer or a class of customers when the bank has reason to believe that any prescribed information about the customer or class of customers that is or was in the possession of the bank may have become available to a person who is not an officer or employee of the bank;”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 35 carried.

On Clause 36,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 36, be amended by replacing line 20 on page 17 with the following:

“activities, the Commissioner shall, in prescribed”

After debate, the question was put on the amendment of Judy Wasylycia-Leis and it was agreed to.

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 36, be amended by adding after line 29 on page 17 the following:

“(2.1) During the two-week period preceding a meeting referred to in subsection (2), the bank shall make available and prominently post in the branch and on its website the following information:

(a) the date, time and place of the meeting;

(b) the persons that may attend the meeting;

(c) an outline of the branch activities as described in the latest corporate responsibility report of the bank;

(d) a statistical report with respect to the prescribed classes of services that the branch provides;

(e) a cost-benefit analysis and any other evaluation or analysis used by the bank to determine that the branch should be closed or that activities should cease; and

(f) a description of the alternative service delivery that will be provided by the bank and the measures to help the branch's customers adjust to the closing or cessation of activities.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 36, as amended, carried.

By unanimous consent, Clauses 37 to 39 inclusive carried severally.

On Clause 40,

Diane Ablonczy moved, — That Bill C-37, in Clause 40, be amended by replacing lines 15 to 20 on page 19 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a bank is permitted to engage in under paragraph 410(1)(c.2), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 40, as amended, carried.

By unanimous consent, Clauses 41 to 58 inclusive carried severally.

On Clause 59,

Diane Ablonczy moved, — That Bill C-37, in Clause 59, be amended by replacing lines 34 to 39 on page 38 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a bank is permitted to engage in under paragraph 410(1)(c.2), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 59, as amended, carried.

By unanimous consent, Clauses 60 to 86 inclusive carried severally.

On Clause 87,

Diane Ablonczy moved, — That Bill C-37, in Clause 87, be amended by replacing line 12 on page 52

with the following:

“of the day the payment is made, in so far as it is known to the authorized foreign bank:”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 87, as amended, carried.

Clause 88 carried.

On Clause 89,

Diane Ablonczy moved, — That Bill C-37, in Clause 89, be amended by replacing line 1 on page 54 to line 17 on page 55 with the following:

“566.1 (1) Subject to subsection (2), an authorized foreign bank shall not open an account that is or forms part of a registered product in the name of a customer, or enter into an agreement with a customer for a prescribed product or service that is or forms part of a registered product, unless the authorized foreign bank provides, in the prescribed manner, to the individual requesting the account or the prescribed product or service

(a) information about all charges applicable to the registered product;

(b) information about how the customer will be notified of any increase in those charges and of any new charges applicable to the registered product;

(c) information about the authorized foreign bank’s procedures relating to complaints about the application of any charge applicable to the registered product; and

(d) any other information that may be prescribed.

(2) The Governor in Council may make regulations specifying the circumstances under which an authorized foreign bank need not provide the information.

(3) In this section, “registered product”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the Committee be amended by adding in subsection 566.1 (1) (a) after the words “registered product” the following:

“, including all charges arising from the use of an automated banking machine;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the Committee be amended by adding in subsection 566.1 (1) (a) after the words “registered product” the following:

“that gives equal prominence to each charge;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

Clause 89, as amended, carried.

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 43 on page 53 the following new clause:

“566.01 An authorized foreign bank shall not make a charge, to its customers or to the public, for an electronic funds transfer or the communication of account information initiated from an automated banking machine, whether the machine is owned or operated by the authorized foreign bank or by another person.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

On new Clause 89.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 19 on page 55 the following new clause:

“89.1 Section 569 of the Act is renumbered as subsection 569(1) and is amended by adding the following:

(2) The cost of borrowing in respect of a credit, payment or charge card shall not exceed the sum of the prime lending rate of the bank and 5%.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

On Clause 90,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 90, be amended by replacing line 20 on page 55 with the following:

“90. (1) Paragraph 573(1)(a) of the Act is replaced by the following:

(a) establish procedures for dealing with complaints made by persons having requested or received products or services from the authorized foreign bank that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;

(2) Section 573 of the Act is amended by”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 90 carried.

By unanimous consent, Clauses 91 to 101 inclusive carried severally.

On new Clause 101.1,

Pierre A. Paquette moved, — That Bill C-37 be amended by adding after line 6 on page 58 the following new clause:

“101.1 The Act is amended by adding, after section 627, the following:

PART XII.2

EQUITY IN COMMUNITY REINVESTMENT

Purpose

627.1 The purpose of this Part is to promote equity in community reinvestment so that every branch of a bank to which this Part applies, while respecting sound administrative and financial management practices, equitably grants credit or advances to persons having a residence or a place of business in the electoral district in which the branch is located, thus correcting the conditions of disadvantage in access to credit experienced by persons from disadvantaged communities.

Interpretation

627.2 In this Part,

“branch of a bank” means a branch of one of the banks listed in Schedule I, located in an electoral district where the monthly unemployment rate as established by Statistics Canada has been, on at least one occasion during the preceding calendar year, equal to or higher than the national average established by Statistics Canada for the same month;

“designated person” means a person having a residence or a place of business in the electoral district in which a branch of a bank is located;

“electoral district” has the same meaning as in the *Canada Elections Act*.

Application

627.3 The provisions of this Part apply notwithstanding any other provision of this Act.

Obligations

627.4 Subject to section 627.5, a branch of a bank shall implement equity in community reinvestment by instituting such positive policies and practices and making such reasonable accommodations as will ensure that designated persons have access to credit.

627.5 The obligation to implement equity in community reinvestment does not require a branch of a bank to take a particular measure to implement equity in community reinvestment where the taking of that measure would cause undue financial hardship to the branch.

Special Fund

627.6 (1) At the end of each financial year, every branch of a bank shall pay into a special fund an amount equivalent to 5% of its income for the financial year.

(2) The amounts paid into the special fund shall be used to promote microcredit in the electoral district where the branch of a bank is located, and shall be provided to every designated person who applies for them.

(3) For the purposes of this section, "microcredit" means small amounts of money used to start a microbusiness or to become self-employed.

Analysis

627.7 For the purpose of implementing equity in community reinvestment, a branch of a bank shall analyse its operations, systems, rules and practices in order

(a) to determine the difference between the aggregate of amounts deposited annually with the branch of the bank by designated persons and the total loans and advances granted annually by the branch of the bank to designated persons; and

(b) to determine the chief reasons for the difference.

Consultation

627.8 At least once a year, a branch of a bank shall consult with community representatives who have requested a consultation in writing with the branch of a bank and shall invite them to express their opinions on the following matters:

(a) the assistance that community representatives could give to the branch of a bank in implementing equity in community reinvestment; and

(b) the development and implementation of measures by the branch of the bank in order to achieve equity in community reinvestment.

Report

627.9 (1) No later than March 31 in each year, a branch of the bank shall file with the Superintendent a report for the preceding calendar year, prepared in the prescribed form and manner, containing the following information:

(a) the number of deposits made with the branch of a bank by designated persons, broken down by ten thousand dollar increments;

(b) the number of applications for loans and advances received by the branch of a bank from designated persons, broken down by ten thousand dollar increments;

(c) the number of loans made by the branch of a bank to designated persons, broken down by ten thousand dollar increments;

(d) the term of each loan or advance made by the branch of a bank to designated persons, broken down by ten thousand dollar increments;

(e) the number of applications for loans and advances received by the branch of a bank from designated persons and the number of loans and advances made by the branch of a bank to designated persons,

broken down by

(i) in the case of a natural person, sex and prescribed age group, and

(ii) in the case of a corporation, the number of years the corporation has been incorporated;

(f) the number of loans made by the branch of a bank to designated persons that were recalled, broken down by ten thousand dollar increments;

(g) a copy of any by-law or policy decision of the branch of a bank relating to the promotion of equity in community reinvestment by the branch of a bank;

(h) a description of the measures taken to implement equity in community reinvestment;

(i) a description of consultations with community representatives to implement equity in community reinvestment;

(j) the percentage of deposits made to the branch of a bank by designated persons as compared with the total amount of deposits made to the branch of a bank; and

(k) any other prescribed information.

(2) The report required by subsection (1) shall make no reference to names or addresses of designated persons.

(3) Where the amount of a loan or advance applied for in respect of which subsection (1) applies is less than five thousand dollars, the branch of a bank may omit the particulars in respect thereof required by subsection (1) from the report required by subsection (1).

627.10 Upon receiving the report required by section 627.9, the Superintendent shall cause a copy to be sent to the Minister forthwith.

627.11 (1) The Superintendent may, by order, direct a branch of a bank to provide the Superintendent with the information required by section 627.9.

(2) Any branch of a bank to which a direction has been issued under subsection (1) shall provide the information specified in the order within the time specified in the order.

627.12 (1) Within six months of receiving the report referred to in section 627.9, the Superintendent shall conduct an evaluation, in accordance with the criteria established under section 627.15, to determine whether the branch of a bank is making reasonable efforts to implement equity in community reinvestment.

(2) No later than September 30 in every year, the Superintendent shall submit a detailed activity report to the Minister concerning the evaluation made by the Superintendent under subsection (1).

(3) The report shall be based on an analysis of the information and documents obtained under section 627.9 and the comments received under subsection (4) and shall be prepared so as to allow the name and address of each branch of a bank to be known.

(4) Before submitting the report to the Minister, the Superintendent shall give each branch of a bank that so requests an opportunity to make comments, orally or in writing, to the Superintendent.

(5) As part of the duties referred to in subsection (1), the Superintendent or a person acting under the Superintendent's direction

(a) has a right of access to any records and policy documents of a branch of a bank; and

(b) may require the directors, officers and the auditor of a branch of a bank to provide information and explanations, to the extent that they are reasonably able to do so, in respect of the information required to be filed with the Superintendent by the branch of a bank under section 627.9.

627.13 The Minister shall cause the report referred to in section 627.12 to be laid before each House of Parliament within the first five sitting days on which that House is sitting after the report is received by the Minister.

627.14 Within five days after the report has been laid before each House of Parliament under section 627.13, the Minister

(a) shall cause a copy of the pages of the report that concern a branch of a bank to be sent to the branch of a bank; and

(b) shall make the report available on request to members of the public for consultation and shall provide a copy or a part of a copy of the report on payment of a fee, not to exceed the costs of furnishing the copy.

627.15 (1) For the purposes of section 627.12, the Superintendent shall, after consultation with the community representatives that, in the Superintendent's opinion, have relevant knowledge, establish criteria to assist the Superintendent in determining whether a branch of a bank is making reasonable efforts to implement equity in community reinvestment.

(2) The Superintendent may also consult any other person or organization that, in the Superintendent's opinion, has relevant knowledge.

Offences and Punishments

627.16 (1) Every person who contravenes section 627.9 or an order made under section 627.11 is guilty of an offence and liable on summary conviction to a fine not exceeding five thousand dollars.

(2) Every person who contravenes section 627.8 is guilty of an offence and liable on summary conviction to a fine not exceeding fifty thousand dollars.

(3) Any proceedings in respect of an offence under subsection (1) or (2) may be instituted at any time within one year of the time the subject-matter of the proceedings arose.

(4) Where an offence under subsection (1) is committed or continued on more than one day, it shall be deemed to be a separate offence for each day on which the offence is committed or continued.

627.17 A person who contravenes section 627.4 or 627.7 does not commit an offence and accordingly the *Criminal Code* does not apply.

Powers, Duties and Functions of the Minister

627.18 The Minister

- (a) shall institute information programs in every branch of a bank to ensure that the provisions of this Part are understood;
- (b) shall undertake or sponsor research related to the purpose of this Part;
- (c) shall promote, by any means that the Minister considers appropriate, the purpose of this Part;
- (d) shall develop and conduct programs to recognize a branch of a bank for outstanding achievement in implementing equity in community employment; and
- (e) shall establish the terms and conditions for the application of section 627.6, which provides for the payment of amounts into a special fund to promote microcredit.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

By unanimous consent, Clauses 102 to 104 inclusive carried severally.

On new Clause 104.1,

Judy Wasylycia-Leis moved, — That Bill C-37 be amended by adding after line 21 on page 58 the following new clause:

“104.1 The Act is amended by adding the following after section 661:

661.1 Despite section 658, the Commissioner shall

- (a) maintain a record of the name of each bank or authorized foreign bank that violates the consumer provisions and the corresponding prescribed category of the violation; and
- (b) publish the record on the Agency's website and make a written copy available upon request.”

The Chair ruled the proposed amendment inadmissible because it sought to amend sections of the parent Act not amended by the Bill, as provided on page 654 of House of Commons Procedure and Practice.

By unanimous consent, Clauses 105 to 121 inclusive carried severally.

On Clause 122,

Diane Ablonczy moved, — That Bill C-37, in Clause 122, be amended by replacing lines 1 to 6 on page 64 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

- (i) the activities of a mutual fund distribution entity,
- (ii) any activity that a bank is permitted to engage in under paragraph 410(1)(c.2), and
- (iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 122, as amended, carried.

By unanimous consent, Clauses 123 to 162 inclusive carried severally.

On Clause 163,

Diane Ablonczy moved, — That Bill C-37, in Clause 163, be amended by replacing line 29 on page 91 with the following:

“payment is made, in so far as it is known to the retail association:”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 163, as amended, carried.

Clause 164 carried.

On Clause 165,

Diane Ablonczy moved, — That Bill C-37, in Clause 165, be amended by replacing line 15 on page 93 to line 34 on page 94 with the following:

“385.131 (1) Subject to subsection (2), a retail association shall not open an account that is or forms part of a registered product in the name of a customer, or enter into an agreement with a customer for a prescribed product or service that is or forms part of a registered product, unless the retail association provides, in the prescribed manner, to the individual requesting the account or the prescribed product or service

(a) information about all charges applicable to the registered product;

(b) information about how the customer will be notified of any increase in those charges and of any new charges applicable to the registered product;

(c) information about the retail association’s procedures relating to complaints about the application of any charge applicable to the registered product; and

(d) any other information that may be prescribed.

(2) The Governor in Council may make regulations specifying the circumstances under which a retail association need not provide the information.

(3) In this section, “registered product””

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the Committee be amended by adding in subsection 385.131 (1) (a) after the words “registered product” the following:

“that gives equal prominence to each charge;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

Clause 165, as amended, carried.

On Clause 166,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 166, be amended by replacing line 37 on page 94 with the following:

“166. (1) Paragraph 385.22(1)(a) of the Act is replaced by the following:

(a) establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from the retail association that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;

(2) Section 385.22 of the Act is amended”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 166 carried.

Clause 167 carried.

On Clause 168,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 168, be amended by replacing line 19 on page 95 with the following:

“regulations respecting the maximum period, which shall not exceed 24 hours,”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 168 carried.

On Clause 169,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 169, be amended by replacing line 43 on page 95 with the following:

“activities, the Commissioner shall, in prescribed”

After debate, the question was put on the amendment of Judy Wasylycia-Leis and it was agreed to.

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 169, be amended by adding after line 8 on page 96 the following:

“(2.1) During the two-week period preceding a meeting referred to in subsection (2), the member association shall make available and prominently post in the branch and on its website the following information:

(a) the date, time and place of the meeting;

(b) the persons that may attend the meeting;

(c) an outline of the branch activities as described in the latest corporate responsibility report of the member association;

(d) a statistical report with respect to the prescribed classes of services that the branch provides;

(e) a cost-benefit analysis and any other evaluation or analysis used by the member association to determine that the branch should be closed or that activities should cease; and

(f) a description of the alternative service delivery that will be provided by the member association and the measures to help the branch's customers adjust to the closing or cessation of activities.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 169, as amended, carried.

By unanimous consent, Clauses 170 to 172 inclusive carried severally.

On Clause 173,

Diane Ablonczy moved, — That Bill C-37, in Clause 173, be amended by replacing lines 35 to 40 on page 97 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that an association is permitted to engage in under subsection 376(2), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 173, as amended, carried.

By unanimous consent, Clauses 174 to 229 inclusive carried severally.

On Clause 230,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 230, be amended by replacing lines 12 to 23 on page 125 with the following:

“230. (1) Paragraph 486(1)(a) of the Act is replaced by the following:

(a) establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from the company that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 230 carried.

By unanimous consent, Clauses 231 to 234 inclusive carried severally.

On Clause 235,

Diane Ablonczy moved, — That Bill C-37, in Clause 235, be amended by

(a) replacing lines 36 to 41 on page 127 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a company is permitted to engage in under subsection 441(1.1), and

(iii) the provision of investment counselling services and portfolio management services.”

(b) replacing line 6 on page 130 with the following:

“(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity, and

(ii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 235, as amended, carried.

By unanimous consent, Clauses 236 to 252 inclusive carried severally.

On Clause 253,

Diane Ablonczy moved, — That Bill C-37, in Clause 253, be amended by replacing lines 25 to 30 on page 137 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a company is permitted to engage in under subsection 441(1.1), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 253, as amended, carried.

By unanimous consent, Clauses 254 to 279 inclusive carried severally.

On Clause 280,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 280, be amended by replacing line 29 on page 152 with the following:

“Canada from the foreign company that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 280 carried.

By unanimous consent, Clauses 281 to 325 inclusive carried severally.

On Clause 326,

Diane Ablonczy moved, — That Bill C-37, in Clause 326, be amended by replacing lines 30 to 35 on page 171 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a company is permitted to engage in under subsection 441(1.1), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 326, as amended, carried.

By unanimous consent, Clauses 327 to 360 inclusive carried severally.

On Clause 361,

Diane Ablonczy moved, — That Bill C-37, in Clause 361, be amended by replacing line 6 on page 191 with the following:

“the payment is made, in so far as it is known to the company:”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 361, as amended, carried.

Clause 362 carried.

On Clause 363,

Diane Ablonczy moved, — That Bill C-37, in Clause 363, be amended by replacing line 38 on page 192 to line 8 on page 194 with the following:

“434.1 (1) Subject to subsection (2), a company shall not open an account that is or forms part of a registered product in the name of a customer, or enter into an agreement with a customer for a prescribed product or service that is or forms part of a registered product, unless the company provides, in the prescribed manner, to the individual requesting the account or the prescribed product or service

(a) information about all charges applicable to the registered product;

(b) information about how the customer will be notified of any increase in those charges and of any new charges applicable to the registered product;

(c) information about the company’s procedures relating to complaints about the application of any charge applicable to the registered product; and

(d) any other information that may be prescribed.

(2) The Governor in Council may make regulations specifying the circumstances under which a company need not provide the information.

(3) In this section, “registered product””

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

By unanimous consent, Judy Wasylycia-Leis moved, — That the amendment previously adopted by the Committee be amended by adding in subsection 434.1 (1) (a) after the words “registered product” the following:

“that gives equal prominence to each charge;”

The question was put on the subamendment of Judy Wasylycia-Leis and it was negatived.

Clause 363, as amended, carried.

On Clause 364,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 364, be amended by replacing line 11 on page 194 with the following:

“364. (1) Paragraph 441(1)(a) of the Act is replaced by the following:

(a) establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from the company that meet or exceed standards established by the International Organization for Standardization with respect to complaints handling;

(2) Section 441 of the Act is amended by”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 364 carried.

Clause 365 carried.

On Clause 366,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 366, be amended by replacing line 37 on page 194 with the following:

“regulations respecting the maximum period, which shall not exceed 24 hours,”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 366 carried.

On Clause 367,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 367, be amended by replacing line 17 on page 195 with the following:

“activities, the Commissioner shall, in prescribed”

After debate, the question was put on the amendment of Judy Wasylycia-Leis and it was agreed to.

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 367, be amended by adding after line 26 on page 195 the following:

“(2.1) During the two-week period preceding a meeting referred to in subsection (2), the company shall make available and prominently post in the branch and on its website the following information:

(a) the date, time and place of the meeting;

(b) the persons that may attend the meeting;

(c) an outline of the branch activities as described in the latest corporate responsibility report of the company;

(d) a statistical report with respect to the prescribed classes of services that the branch provides;

(e) a cost-benefit analysis and any other evaluation or analysis used by the company to determine that the branch should be closed or that activities should cease; and

(f) a description of the alternative service delivery that will be provided by the company and the measures to help the branch's customers adjust to the closing or cessation of activities.”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 367, as amended, carried.

By unanimous consent, Clauses 368 to 370 inclusive carried severally.

On Clause 371,

Diane Ablonczy moved, — That Bill C-37, in Clause 371, be amended by replacing lines 19 to 24 on page 197 with the following:

“(b) a mutual fund entity; or

(c) an entity whose business is limited to engaging in one or more of the following:

(i) the activities of a mutual fund distribution entity,

(ii) any activity that a company is permitted to engage in under paragraph 410(1)(d.1), and

(iii) the provision of investment counselling services and portfolio management services.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 371, as amended, carried.

By unanimous consent, Clauses 372 to 435 inclusive carried severally.

On Clause 436,

Judy Wasylycia-Leis moved, — That Bill C-37, in Clause 436, be amended by replacing line 21 on page 229 with the following:

“committed by a natural person, and \$500,000”

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived.

Clause 436 carried.

Clause 437 carried.

Clause 438 carried.

On Clause 439,

Diane Ablonczy moved, — That Bill C-37, in Clause 439, be amended by

(a) replacing line 38 on page 230 with the following:

“439. (1) Paragraph 10(1)(h) of the *Investment*”

(b) adding after line 41 on page 230 the following:

“(2) Subparagraphs 10(1)(j)(ii) and (iii) of the Act are replaced by the following:

(ii) a foreign entity that has been approved by order of the Superintendent of Financial Institutions under Part XIII of the *Insurance Companies Act* to insure in Canada risks, on the condition that the gross investment revenue of the company from the Canadian business is included in computing the income of the company under subsection 138(9) of the *Income Tax Act* and the voting interests of the entity carrying on the Canadian business, or the assets used in carrying on the Canadian business, are vested in trust under that Part, or

(iii) a corporation incorporated in Canada, all the issued voting shares of which, other than the qualifying voting shares of directors, are owned by an insurance company described in subparagraph (i), a foreign entity described in subparagraph (ii) or by a corporation controlled directly or indirectly through the ownership of voting shares by such an insurance company or foreign entity, on the condition that, in the case of a foreign entity described in subparagraph (ii), the voting interests of the entity carrying on the Canadian business, or the assets used in carrying on the Canadian business, are vested in trust under Part XIII of the *Insurance Companies Act*; and”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to.

Clause 439, as amended, carried.

By unanimous consent, Clauses 440 to 452 inclusive carried severally.

The Title carried.

The Bill, as amended, carried on division.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-37, as amended, be reprinted for the use of the House at report stage.

At 12:28 p.m., the sitting was suspended.

At 12:36 p.m., the sitting resumed.

At 1:17 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/27 5:49 p.m.

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CHAMBRE DES COMMUNES DU CANADA
39^e LÉGISLATURE, 1^{re} SESSION

TÉMOIGNAGES
COMITÉ PERMANENT DES FINANCES

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Séance n^o 69

Le jeudi 22 février 2007

HUIS CLOS



MINUTES OF PROCEEDINGS

Meeting No. 69

Thursday, February 22, 2007

The Standing Committee on Finance met *in camera* at 11:06 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Paule Brunelle for Pierre A. Paquette and Hon. Jim Peterson for Massimo Pacetti.

In attendance: Library of Parliament: June Dewetering, Principal.

Pursuant to Standing Order 108(2), the Committee resumed its study on Income trusts.

The Committee resumed consideration of a draft report.

It was agreed, — That the draft report, as amended, be adopted.

It was agreed, — That the Chair, Clerk and analyst be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, — That the Committee append to its report dissenting and / or supplementary opinions from all Parties provided that they are translated, no more than 4 pages in length and submitted electronically to the Clerk of the Committee, no later than 4:00 p.m., on Monday, February 26, 2007.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Chair present the report to the House.

It was agreed, — That the Standing Committee on Finance undertake a study, pursuant to Standing Order 108(2), of the fees charged by a) banks and their subsidiaries, b) other financial agents, and c) networks providing these financial organizations with communication services for electronic access to personal financial services to determine the appropriate means of regulating these charges in the interests of Canadians.

It was agreed, — That the “Committee” recommend that the Minister of Justice take actions necessary to include the offence commonly known as “Identity Theft” in the Criminal Code and that this be reported to the House.

At 12:43 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/28 3:05 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 70

Tuesday, February 27, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2) , the Committee commenced its study of Taxation of the Oil Sands Industry.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Dennis Bevington for Judy Wasylycia-Leis,
Claude DeBellefeuille for Pierre A. Paquette,
and Brian Storseth for Brian Pallister.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Green Budget Coalition:

Andrew Van Iterson, Program Manager.

University of Ottawa:

Hon. Charles L. Caccia, Senior Fellow, Institute of the Environment, University of Ottawa.

Mining Association of Canada:

Gordon Peeling, President and Chief Executive Officer.

Nexen Inc.:

Marvin Romanow, Executive Vice-President and Chief Financial Officer.

Canadian Association of Petroleum Producers:

Greg L. Stringham, Vice-President, Markets and Fiscal Policy.

EnergyINet:

Michael Raymont, Chief Executive Officer.

Sierra Club of Canada:

Jean Langlois, National Campaigns Director.

Sierra Legal Defence Fund - Toronto:

Hugh Wilkins, Staff Lawyer, Toronto Legal Team.

Canadian Imperial Bank of Commerce:

Robert Plexman, Managing Director and Senior Oil and Gas Analyst.

Pembina Institute:

Mario Reynolds, Executive Director;
Dan Woynillowicz, Senior Policy Analyst.

TD Securities Inc.:

Bill Roberts, Vice-President, Investment Banking.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 70

Tuesday, February 27, 2007

The Standing Committee on Finance met in a televised videoconference session at 11:15 a.m. this day, in Room 253-D, Centre Block, the Vice-Chair, Massimo Pacetti, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Dennis Bevington for Judy Wasylycia-Leis, Claude DeBellefeuille for Pierre A. Paquette and Brian Storseth for Brian Pallister.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Green Budget Coalition: Andrew Van Iterson, Program Manager. *University of Ottawa:* Hon. Charles L. Caccia, Senior Fellow, Institute of the Environment. *Mining Association of Canada:* Gordon Peeling, President and Chief Executive Officer. *Nexen Inc.:* Marvin Romanow, Executive Vice-President and Chief Financial Officer. *Canadian Association of Petroleum Producers:* Greg L. Stringham, Vice-President, Markets and Fiscal Policy. *EnergyINet:* Dr. Michael Raymond, Chief Executive Officer. *Sierra Club of Canada:* Jean Langlois, National Campaigns Director. *Sierra Legal Defence Fund - Toronto:* Hugh Wilkins. *Canadian Imperial Bank of Commerce:* Robert Plexman, Managing Director and Senior Oil and Gas Analyst. *Pembina Institute:* Mario Reynolds, Executive Director; Dan Woynillowicz, Senior Policy Analyst. *TD Securities Inc.:* Bill Roberts, Vice-President, Investment Banking.

Pursuant to Standing Order 108(2), the Committee commenced its study of Taxation of the Oil Sands Industry.

The witnesses made statements and answered questions.

At 12:30 p.m., the sitting was suspended.

At 12:41 p.m., the sitting resumed.

The witnesses made statements and answered questions.

At 2:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/02/28 3:05 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 71

Thursday, March 1, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, January 30, 2007, the Committee commenced consideration of Bill C-40, An Act to amend the Excise Tax Act, the Excise Act, 2001 and the Air Travellers Security Charge Act and to make related amendments to other Acts.

The Committee proceeded to the consideration of matters related to Committee business.

Pursuant to Standing Order 81(5), the Committee commenced consideration of the Supplementary Estimates (B) for the fiscal year ending March 31, 2007: Vote 1b under CANADA REVENUE AGENCY referred to the Committee on Thursday, February 22, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault
and Mike Wallace.

ACTING MEMBERS PRESENT:

David Christopherson for Judy Wasylycia-Leis,
and Bev Shipley for Dean Del Mastro.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst;
Philippe Bergevin, Analyst.

House of Commons:

Marc Toupin, Legislative Clerk;

APPEARING:

Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

WITNESSES:

Department of Finance:

Pierre Mercille, Chief, GST Legislation, Sales Tax Division, Tax
Policy Branch;

Geoff Trueman, Chief, Sales Tax Division, Air Travelers Security
Charge, Tax Policy Branch;

Carlos Achadinha, Chief, Alcohol, Tobacco and Excise
Legislation, Sales Tax Division, Tax Policy Branch.

Canada Revenue Agency:

William V. Baker, Deputy Commissioner and Chief Operating
Officer;

James Ralston, Chief Financial Officer and Assistant
Commissioner, Finance and Administration Branch;

Mary Jane Jackson, Deputy Assistant Commissioner, Finance and
Administration Branch.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 71

Thursday, March 1, 2007

The Standing Committee on Finance met in a televised session at 11:04 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault and Mike Wallace.

Acting Members present: David Christopherson for Judy Wasylycia-Leis and Bev Shipley for Dean Del Mastro.

In attendance: Library of Parliament: Alexandre Laurin, Analyst; Philippe Bergevin, Analyst. *House of Commons:* Marc Toupin, Legislative Clerk.

Appearing: Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

Witnesses: Department of Finance: Pierre Mercille, Chief, GST Legislation, Sales Tax Division, Tax Policy Branch; Geoff Trueman, Chief, Sales Tax Division, Air Travelers Security Charge, Tax Policy Branch; Carlos Achadinha, Chief, Alcohol, Tobacco and Excise Legislation, Sales Tax Division, Tax Policy Branch. *Canada Revenue Agency:* William V. Baker, Deputy Commissioner and Chief Operating Officer; James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch; Mary Jane Jackson, Deputy Assistant Commissioner, Finance and Administration Branch.

Pursuant to the Order of Reference of Tuesday, January 30, 2007, the Committee commenced consideration of Bill C-40, An Act to amend the Excise Tax Act, the Excise Act, 2001 and the Air Travellers Security Charge Act and to make related amendments to other Acts.

The Parliamentary Secretary made a statement and, with the other witnesses, answered questions.

The Committee commenced its clause-by-clause study of the Bill.

Pursuant to Standing Order 75(1), consideration of Clause 1 is postponed.

The Chair calls Clause 2.

By unanimous consent, Clauses 2 to 157 inclusive carried on division.

The Short Title carried.

The Title carried.

The Bill carried on division.

ORDERED, — That the Chair report the Bill to the House.

At 11:53 a.m., the Committee proceeded to sit *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

It was agreed, — Given - that the Finance Committee has adopted a motion to study changes related to ATM fees; and;

That during the hearings of the Finance Committee concerning Bill C-37, An Act to amend the Bank Act, testimony was received respecting the timelines and changes related to electronic payments;

That in addition to the Standing Committee on Finance's study of ATM fees, it include and examination of any issues related to the electronic payment process.

It was agreed, — That the budget of \$3,425.00 for the Oil Sands study be adopted.

It was agreed, — That the budget of \$5,800.00 for the Income Trust Study be adopted.

It was agreed, — That the budget of \$1,000.00 for the study of Bill C-40 be adopted.

It was agreed, — That the budget of \$6,800.00 for the ATM Fees study be adopted.

At 12:24 p.m., the sitting was suspended.

At 12:46 p.m., the sitting resumed.

Pursuant to Standing Order 81(5), the Committee commenced consideration of the Supplementary Estimates (B) for the fiscal year ending March 31, 2007: Vote 1b under CANADA REVENUE AGENCY referred to the Committee on Thursday, February 22, 2007.

The witnesses made statements and answered questions.

It was agreed, — That Vote 1b under CANADA REVENUE AGENCY carry.

It was agreed, — That Vote 1b under CANADA REVENUE AGENCY be reported to the House.

At 1:14 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/03/05 9:12 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 72

Tuesday, March 20, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Wednesday, November 8, 2006, the Committee commenced consideration of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions).

Pursuant to the Order of Reference of Monday, December 4, 2006, the Committee commenced consideration of Bill C-305, An Act to amend the Income Tax Act (exemption from taxation of 50% of United States social security payments to Canadian residents).

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault
and Mike Wallace.

ACTING MEMBERS PRESENT:

Robert Carrier for Pierre A. Paquette,
Patricia Davidson for Dean Del Mastro,

Brian Masse for Judy Wasylycia-Leis,
Gary Merasty for Hon. John McCallum,
Denise Savoie for Judy Wasylycia-Leis,
and Merv Tweed for Diane Ablonczy.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst.

House of Commons:

Marc Toupin, Legislative Clerk;

WITNESSES:

House of Commons:

Hon. Dan McTeague, Pickering—Scarborough East;
Jeff Watson, Essex.

Canadian Association of Retired Persons:

William Gleberzon, Associate Executive Director.

Canadians Asking for Social Security Equality :

Bill Trasher, Spokesperson.

Department of Finance:

Andrew Auerbach, Tax Policy Officer, Corporate and International
Tax, Tax Legislation Division, Tax Policy Branch;
Yves Gingras, Chief, Employment and Education, Personal
Income Tax Division, Tax Policy Branch;
Glen Bradbury, Executive Assistant, Honourable Dan McTeague.

Elizabeth B. Kingston
Clerk of the Committee

Français Close

MINUTES OF PROCEEDINGS

Meeting No. 72

Tuesday, March 20, 2007

The Standing Committee on Finance met in a televised session at 11:06 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault and Mike Wallace.

Acting Members present: Robert Carrier for Pierre A. Paquette, Patricia Davidson for Dean Del Mastro, Brian Masse for Judy Wasylycia-Leis, Gary Merasty for Hon. John McCallum, Denise Savoie for Judy Wasylycia-Leis and Merv Tweed for Diane Ablonczy.

In attendance: Library of Parliament: Alexandre Laurin, Analyst. *House of Commons:* Marc Toupin, Legislative Clerk.

Witnesses: House of Commons: Hon. Dan McTeague, Pickering—Scarborough East; Jeff Watson, Essex. *Canadian Association of Retired Persons:* William Gleberzon, Associate Executive Director. *Canadians Asking for Social Security Equality :* Bill Trasher, Spokesperson. *Department of Finance:* Andrew Auerbach, Tax Policy Officer, Corporate and International Tax, Tax Legislation Division, Tax Policy Branch; Yves Gingras, Chief, Employment and Education, Personal Income Tax Division, Tax Policy Branch; Glen Bradburry, Executive Assistant, Honourable Dan McTeague.

Pursuant to the Order of Reference of Wednesday, November 8, 2006, the Committee resumed consideration of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions).

The Committee commenced its clause-by-clause study of the Bill.

The Chair called Clause 1.

Clause 1 carried.

On Clause 2,

Thierry St-Cyr moved, — That Bill C-253, in Clause 2, be amended

(a) by replacing lines 10 to 28 on page 1 and lines 1 to 30 on page 2 with the following:

“2. (1) The definition “RESP annual limit” in subsection 146.1(1) of the Act is amended by striking out the word “and” at the end of paragraph (b) and by replacing paragraph (c) with the following:

(c) for 1997 to 2005, \$4,000,

(d) for 2006, \$5,000, and

(e) for 2007 and subsequent years, the total of the RESP annual limit for the preceding taxation year and the product obtained when the RESP annual limit is multiplied by the average percentage change in the Consumer Price Index for the year in question, published by Statistics Canada under the authority of the *Statistics Act*;"

(b) by replacing lines 1 to 13 on page 3 with the following:

"(a) the total of all contributions made by the taxpayer into a registered education savings plan in the taxation year; and

(b) the RESP annual limit for the taxation year."

Debate arose thereon.

At 12:05 p.m., the Chair ruled that the time the Committee had set aside to consider Bill C-253 in this meeting had expired.

Whereupon, John McKay appealed the decision of the Chair. The question: "Shall the decision of the Chair be sustained?" was put and the decision was overturned, by a show of hands: YEAS: 5; NAYS: 6.

After debate, the question was put on the amendment of Thierry St-Cyr and it was agreed to, by a show of hands: YEAS: 7; NAYS: 4.

Clause 2, as amended, carried on division.

After debate, Clause 3 was negatived.

The Title carried on division.

The Bill, as amended, carried on the following recorded division: YEAS: Robert Carrier, John McKay, Gary Merasty, Massimo Pacetti, Thierry St-Cyr, Robert Thibault — 6; NAYS: Dean Del Mastro, Rick Dykstra, Denise Savoie, Merv Tweed, Mike Wallace — 5.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-253, as amended, be reprinted for the use of the House at report stage.

The witnesses made statements and answered questions.

Pursuant to the Order of Reference of Monday, December 4, 2006, the Committee commenced consideration of Bill C-305, An Act to amend the Income Tax Act (exemption from taxation of 50% of United States social security payments to Canadian residents).

The witnesses made statements and answered questions.

At 1:07 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston

Clerk of the Committee

2007/03/21 3:57 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 73

Thursday, March 22, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing on automated teller machine fees and electronic payments.

MEMBERS OF THE COMMITTEE PRESENT:

Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Christian Ouellet for Pierre A. Paquette.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Bankers Association:

Raymond J. Protti, President and Chief Executive Officer;
Karen Michell, Vice-President, Banking Operations.

As an Individual:

Lew Johnson, Professor of Finance, School of Business, Queen's
University.

Option consommateurs:

Michel Arnold, Executive Director;
Jannick Desforges, Manager, Legal Services.

Canadian Payments Association:

Guy Legault, President and Chief Executive Officer;
Doug Kreviazuk, Vice-President, Policy and Research;
Barbara Ciarniello, Associate Vice-President, Credit Union Central
of British Columbia, Payment Services.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 73

Thursday, March 22, 2007

The Standing Committee on Finance met in a televised session at 11:05 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Christian Ouellet for Pierre A. Paquette.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Canadian Bankers Association: Raymond J. Protti, President and Chief Executive Officer; Karen Michell, Vice-President, Banking Operations. *As an individual:* Lew Johnson, Professor of Finance, School of Business, Queen's University. *Option consommateurs:* Michel Arnold, Executive Director; Jannick Desforges, Manager, Legal Services. *Canadian Payments Association:* Guy Legault, President and Chief Executive Officer; Doug Kreviazuk, Vice-President, Policy and Research; Barbara Ciarniello, Associate Vice-President, Credit Union Central of British Columbia, Payment Services.

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing on automated teller machine fees and electronic payments.

The witnesses made statements and answered questions.

At 12:10 p.m., the sitting was suspended.

At 12:13 p.m., the sitting resumed.

At 12:18 p.m., Massimo Pacetti took the Chair.

At 12:40 p.m., Brian Pallister took the Chair.

At 1:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/03/27 9:11 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 74

Tuesday, March 27, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008 referred to the Committee on Tuesday, February 27, 2007.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008 referred to the Committee on Tuesday, February 27, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault
and Mike Wallace.

ACTING MEMBERS PRESENT:

David Christopherson for Judy Wasylycia-Leis,
and Bradley R. Trost for Dean Del Mastro.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Canada Revenue Agency:

William V. Baker, Deputy Commissioner and Chief Operating Officer;
James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch;
Mary Jane Jackson, Deputy Assistant Commissioner, Finance and Administration Branch.

Office of the Superintendent of Financial Institutions Canada:

Julie Dickson, Acting Superintendent, Financial Institutions;
Donna Pasteris, Assistant Superintendent, Corporate Services Sector;
Michèle Bridges, Director of Finance, Finance and Corporate Planning Division.

Elizabeth B. Kingston
Clerk of the Committee

 Close

MINUTES OF PROCEEDINGS

Meeting No. 74

Tuesday, March 27, 2007

The Standing Committee on Finance met in a televised session at 11:04 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault and Mike Wallace.

Acting Members present: David Christopherson for Judy Wasylycia-Leis and Bradley R. Trost for Dean Del Mastro.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Canada Revenue Agency: William V. Baker, Deputy Commissioner and Chief Operating Officer; James Ralston, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch; Mary Jane Jackson, Deputy Assistant Commissioner, Finance and Administration Branch. *Office of the Superintendent of Financial Institutions Canada:* Julie Dickson, Acting Superintendent, Financial Institutions; Donna Pasteris, Assistant Superintendent, Corporate Services Sector; Michèle Bridges, Director of Finance, Finance and Corporate Planning Division.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008: Vote 1 under CANADA REVENUE AGENCY referred to the Committee on Tuesday, February 27, 2007.

The witnesses made statements and answered questions.

At 12:01 p.m., the sitting was suspended.

At 12:05 p.m., the sitting resumed.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2007-2008: Vote 30 under OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS referred to the Committee on Tuesday, February 27, 2007.

The witnesses made statements and answered questions.

At 12:56 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/03/27 3:38 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 75

Thursday, March 29, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008 referred to the Committee on Tuesday, February 27, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Pierre A. Paquette,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal.

WITNESSES:

Canadian International Trade Tribunal:

Pierre Gosselin, Chair;
John Greig, Director General, Research Branch.

Department of Finance:

Sylvie Mercier, Chief Financial Services.

Financial Transactions and Reports Analysis Centre of Canada:

Alfred Tsang, Assistant Director, Finance and Administration,
Strategies and Partnerships Sector;

Mark Potter, Assistant Director, Government Relations;

Janet DiFrancesco, Assistant Director, Macro-Analysis and
Integration, Operation Sector.

Department of Finance:

Yvon Carrière, Senior Counsel, Financial Transactions and
Reports Analysis Centre of Canada.

Elizabeth B. Kingston
Clerk of the Committee

[Français](#)[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 75

Thursday, March 29, 2007

The Standing Committee on Finance met at 11:04 a.m. this day, in Room 209, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Pierre A. Paquette, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal.

Witnesses: Canadian International Trade Tribunal: Pierre Gosselin, Chair, Office of the Chairman; John Greig, Director General, Research Branch. *Department of Finance:* Sylvie Mercier, Chief Financial Services. *Financial Transactions and Reports Analysis Centre of Canada:* Alfred Tsang, Assistant Director, Finance and Administration, Strategies and Partnerships Sector; Mark Potter, Assistant Director, Government Relations; Janet DiFrancesco, Assistant Director, Macro-Analysis and Integration, Operation Sector. *Department of Finance:* Yvon Carrière, Senior Counsel, Financial Transactions and Reports Analysis Centre of Canada.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2007-2008: Vote 25 under FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA and Vote 20 under CANADIAN INTERNATIONAL TRADE TRIBUNAL referred to the Committee on Tuesday, February 27, 2007.

The witnesses made statements and answered questions.

At 12:33 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/03/29 2:17 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 76

Tuesday, April 17, 2007

ORDER OF THE DAY:

The Committee proceeded to the consideration of matters related to Committee business.

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing on automated teller machine fees and electronic payments.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Community Reinvestment Coalition:

Duff Conacher, Chairperson.

As an Individual:

Nadia Massoud, Assistant Professor, Finance and Economics,
University of Alberta.

Canadian Consumer Initiative:

John Lawford, Counsel.

Supporting Employment & Economic Development (SEED) Winnipeg Inc.:

Andrew Douglas, Asset Building Program Manager, Alternative
Financial Services Coalition.

Interac Association:

Mark O'Connell, President and Chief Executive Officer.

Menno Simons College:

Jerry Buckland, Professor, International Development Studies.

The Exchange Network (FICANEX):

Jeremy Trigg, President.

Consumers Association of Canada:

Mel Fruitman, Vice-President;
Bruce Cran, President.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 76

Tuesday, April 17, 2007

The Standing Committee on Finance met in a televised session at 11:01 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Canadian Community Reinvestment Coalition: Duff Conacher, Chairperson. *As an individual:* Nadia Massoud, Assistant Professor, Finance and Economics, University of Alberta. *Canadian Consumer Initiative:* John Lawford, Counsel. *Supporting Employment & Economic Development (SEED) Winnipeg Inc.:* Andrew Douglas, Asset Building Program Manager, Alternative Financial Services Coalition. *INTERAC Association:* Mark O'Connell, President and Chief Executive Officer. *Menno Simons College:* Jerry Buckland, Professor, International Development Studies. *The Exchange Network (FICANEX):* Jeremy Trigg, President. *Consumers Association of Canada:* Mel Fruitman, Vice-President; Bruce Cran, President.

The Committee proceeded to the consideration of matters related to Committee business.

On motion of Thierry St-Cyr, it was agreed, — That Paul Crête be elected Second Vice-Chair of the Committee.

Pursuant to Standing Order 108(2), the Committee resumed its study on automated teller machine fees and electronic payments.

The witnesses made statements and answered questions.

At 11:47 a.m., the sitting was suspended.

At 12:21 p.m., the sitting resumed.

Massimo Pacetti took the Chair.

At 12:29 p.m., Brian Pallister took the Chair.

At 12:37 p.m., the sitting was suspended.

At 1:05 p.m., the sitting resumed.

At 2:01 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/04/17 4:46 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 77

Thursday, April 19, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing on automated teller machine fees and electronic payments.

MEMBERS OF THE COMMITTEE PRESENT:

Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal;
Alexandre Laurin, Analyst.

WITNESSES:

Canadian Imperial Bank of Commerce:

Sonia Baxendale, Senior Executive Vice-President, Retail Markets.

Competition Bureau:

Richard Taylor, Deputy Commissioner, Civil Matters Branch.

National Bank of Canada:

Michel Tremblay, Senior Vice-President, Personal Banking and Wealth Management.

Office of the Privacy Commissioner of Canada:

Heather H. Black, Assistant Commissioner (PIPEDA).

Royal Bank of Canada:

Jim Westlake, Group Head, Canadian Banking.

Toronto Dominion Bank:

Tim Hockey, Co-Chair, TD Canada Trust.

Bank of Nova Scotia:

Christopher Hodgson, Executive Vice-President and Head of Domestic Personal Banking, Senior Executive Office - Domestic Personal Banking.

BMO Bank of Montreal:

Maurice A.D. Hudon, Senior Executive Vice-President, Personal and Commercial Banking Canada.

Credit Union Central of Canada:

David Phillips, President and Chief Executive Officer.

UseMyBank:

Joseph Iuso, Chief Executive Officer;
Brian XXXXXXCrozier.

Association of Community Organizations for Reform Now:

Evan Soikie, Board Member, Chair, Ottawa Chapter.

VisionCraft Development Corporation:

Susan Ransom, Chief Operating Officer, Cheque Security Specialist.

Retail Council of Canada:

Peter Woolford, Vice-President, Policy Development and Research.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 77

Thursday, April 19, 2007

The Standing Committee on Finance met in a televised session at 11:02 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal; Alexandre Laurin, Analyst.

Witnesses: Canadian Imperial Bank of Commerce: Sonia Baxendale, Senior Executive Vice-President, Retail Markets. *Competition Bureau:* Richard Taylor, Deputy Commissioner, Civil Matters Branch. *National Bank of Canada:* Michel Tremblay, Senior Vice-President, Personal Banking and Wealth Management. *Office of the Privacy Commissioner of Canada:* Heather H. Black, Assistant Commissioner (PIPEDA). *Royal Bank of Canada:* Jim Westlake, Group Head, Canadian Banking. *Toronto Dominion Bank:* Tim Hockey, Co-Chair, TD Canada Trust. *Bank of Nova Scotia:* Christopher Hodgson, Executive Vice-President and Head of Domestic Personal Banking, Senior Executive Office - Domestic Personal Banking. *BMO Bank of Montreal:* Maurice A.D. Hudon, Senior Executive Vice-President, Personal and Commercial Banking Canada. *Credit Union Central of Canada:* David Phillips, President and Chief Executive Officer. *UseMyBank:* Joseph Iuso, Chief Executive Officer; Brian Crozier. *Association of Community Organizations for Reform Now (ACORN):* Evan Soikie, Board Member, Chair, Ottawa Chapter. *VisionCraft Development Corporation:* Susan Ransom, Chief Operating Officer, Cheque Security Specialist. *Retail Council of Canada:* Peter Woolford, Vice-President, Policy Development and Research.

Pursuant to Standing Order 108(2), the Committee resumed its briefing on automated teller machine fees and electronic payments.

The witnesses made statements and answered questions.

At 12:54 p.m., the sitting was suspended.

At 1:10 p.m., the sitting resumed.

At 2:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/04/23 11:36 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 78

Tuesday, April 24, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008 referred to the Committee on Tuesday, February 27, 2007.

Pursuant to Standing Order 81(4), the Committee commenced consideration of the Main Estimates 2007-2008 referred to the Committee on Tuesday, February 27, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Department of Finance:

Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch;

Mark Carney, Senior Associate Deputy Minister;

Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch;

Paul Rochon, General Director, Economic and Fiscal Policy Branch;

Coleen Volk, Assistant Deputy Minister, Corporate Services Branch.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 78

Tuesday, April 24, 2007

The Standing Committee on Finance met in a televised session at 11:04 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Department of Finance: Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch; Mark Carney, Senior Associate Deputy Minister; Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch; Paul Rochon, General Director, Economic and Fiscal Policy Branch; Coleen Volk, Assistant Deputy Minister, Corporate Services Branch.

Pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2007-2008: Votes 1, 5 and L10 under FINANCE - Part III - Report on Plans and Priorities referred to the Committee on Tuesday, February 27, 2007.

The witnesses made statements and answered questions.

At 12:35 p.m., pursuant to Standing Order 81(4), the Committee resumed consideration of the Main Estimates 2007-2008: Vote 1 under CANADA REVENUE AGENCY; Vote 20 under CANADIAN INTERNATIONAL TRADE TRIBUNAL; Vote 25 under FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA; Vote 30 under OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS; Votes 1, 5 and L10 under FINANCE referred to the Committee on Tuesday, February 27, 2007.

It was agreed on division, — That Vote 25 under FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA carry.

It was agreed on division, — That Vote 1 under CANADA REVENUE AGENCY carry.

It was agreed on division, — That Votes 1,5 and L10 under DEPARTMENT OF FINANCE carry.

It was agreed on division, — That Vote 20 under CANADIAN INTERNATIONAL TRADE TRIBUNAL carry.

It was agreed on division, — That Vote 30 under the OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS carry.

It was agreed on division, — That the Chair report Vote 1, under CANADA REVENUE AGENCY, Votes 1, 5, and L10 under DEPARTMENT OF FINANCE, Vote 20 under CANADIAN INTERNATIONAL TRADE TRIBUNAL, Vote 25 under FINANCIAL TRANSACTIONS AND

REPORTS ANALYSIS CENTRE OF CANADA and Vote 30 under the OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS, less the amount voted in Interim Supply, to the House.

At 12:40 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/04/26 1:52 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 79

Tuesday, May 1, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee commenced its study of the Report of the Governor of the Bank of Canada on Monetary Policy.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Bank of Canada:

David A. Dodge, Governor;

Paul Jenkins, Senior Deputy Governor.

Elizabeth B. Kingston
Clerk of the Committee

Français[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 79

Tuesday, May 1, 2007

The Standing Committee on Finance met in a televised session at 11:05 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Bank of Canada: David A. Dodge, Governor; Paul Jenkins, Senior Deputy Governor.

Pursuant to Standing Order 108(2), the Committee commenced its study of the Report of the Governor of the Bank of Canada on Monetary Policy.

The witnesses made statements and answered questions.

At 12:59 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/02 9:21 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 80

Thursday, May 3, 2007

IN CAMERA

[Français](#)[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 80

Thursday, May 3, 2007

The Standing Committee on Finance met *in camera* at 11:40 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

The Committee proceeded to the consideration of matters related to Committee business.

It was agreed, — That the members of the Standing Committee on Finance begin a review of the Income Tax Act and the related fiscal agreements to shed light on the different measures that allow the use of tax havens and tax avoidance and that the committee produce a report to the House on different ways to correct this problem and to this end, the committee hold:

-a minimum of 12 hours of hearings to conduct interviews with officials from the Finance Department, the Revenue Agency, and different stakeholders to estimate the cost of tax evasion and to evaluate the means to stop it;

-2 meetings to produce, study and prepare the recommendations to the Minister.

At 12:53 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/03 4:15 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 81

Tuesday, May 8, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Sukh Dhaliwal for Hon. John McKay.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal Analyst;

Alexandre Laurin, Analyst.

WITNESSES:

Canada Revenue Agency:

Brian McCauley, Acting Assistant Commissioner, Legislative
Policy and Regulatory Affairs Branch;

John Kowalski, Acting Assistant Commissioner, Compliance
Programs Branch;

Wayne Adams, Director General, Income Tax Rulings Directorate,
Legislative Policy and Regulatory Affairs Branch;

Fred O'Riordan, Director General, International and Large
Business Directorate, Compliance Programs Branch.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 81

Tuesday, May 8, 2007

The Standing Committee on Finance met in a televised session at 11:02 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Sukh Dhaliwal for Hon. John McKay.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.

Witnesses: Canada Revenue Agency: Brian McCauley, Acting Assistant Commissioner, Legislative Policy and Regulatory Affairs Branch; John Kowalski, Acting Assistant Commissioner, Compliance Programs Branch; Wayne Adams, Director General, Income Tax Rulings Directorate, Legislative Policy and Regulatory Affairs Branch; Fred O'Riordan, Director General, International and Large Business Directorate, Compliance Programs Branch.

Pursuant to Standing Order 108(2), the Committee commenced its briefing on tax havens and tax avoidance.

The witnesses made statements and answered questions.

At 12:45 p.m., the Committee proceeded to matters related to Committee business.

On motion of Massimo Pacetti, it was agreed, — That the Standing Committee on Finance host a luncheon with a Senior Parliamentary Delegation from Pakistan in Ottawa accompanied by the Deputy Speaker of the National Assembly Sardar Muhammad Yaqoob on Wednesday, May 16, 2007.

Judy Wasylycia-Leis moved, — That the Standing Committee on Finance formally request Canada's chartered banks to provide it with specific information clearly outlining the costs incurred and fees charged on a per transaction basis for automated banking machine transfers. This information should include all types of transfers – internal bank transactions and those involving ATMs owned by other institutions. That the Committee request this information be provided by May 31st 2007, that the results be considered by the Committee at the earliest opportunity thereafter in the context of its study of ATM fees, and that the Committee make recommendations to the Minister of Finance for appropriate action with respect to the application of these fees.

Thierry St-Cyr moved, — That the motion be amended by replacing the words “That the Committee request this information be provided by May 31st 2007, that the results be considered by the Committee at the earliest opportunity thereafter in the context of its study of ATM fees, and that the Committee make recommendations to the Minister of Finance for appropriate action with respect to the application of these fees.” with the words, “That the Committee request that this information be sent confidentially to the Commissioner of Competition by September 1, 2007, and that the Commissioner of Competition provide the Committee with aggregated cumulative data for the industry.”.

The question was put on the amendment of Thierry St-Cyr and it was negatived on the following recorded division: YEAS: Paul Crête, Massimo Pacetti, Thierry St-Cyr — 3; NAYS: Diane Ablonczy, Dean Del Mastro, Sukh Dhaliwal, Rick Dykstra, John McCallum, Robert Thibault, Mike Wallace, Judy Wasylycia-Leis — 8.

The question was put on the motion and it was negatived on the following recorded division: YEAS: Sukh Dhaliwal, Massimo Pacetti, Judy Wasylycia-Leis — 3; NAYS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, John McKay, Thierry St-Cyr, Robert Thibault, Mike Wallace — 8.

At 1:04 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/10 10:10 a.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 82

Thursday, May 10, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Robert Carrier for Paul Crête,
and Hon. Shawn Murphy for Hon. John McKay.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal Analyst;
Alexandre Laurin, Analyst.

WITNESSES:

Price Waterhouse Coopers:

Nick Pantaleo, Partner.

Osler, Hoskin & Harcourt:

Robert Raizenne.

University of Michigan:

James R. Hines, Jr., Richard A. Musgrave Collegiate Professor of
Economics and Professor of Law.

University of Toronto:

Roger Martin, Dean, Rotman School of Management.

C.D. Howe Institute:

Finn Poschmann, Director of Research.

Elizabeth B. Kingston
Clerk of the Committee

[Français](#)[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 82

Thursday, May 10, 2007

The Standing Committee on Finance met in a televised session at 11:12 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault and Judy Wasylycia-Leis.

Acting Members present: Robert Carrier for Paul Crête and Hon. Shawn Murphy for Hon. John McKay.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.

Witnesses: Price Waterhouse Coopers: Nick Pantaleo, Partner. *Osler, Hoskin & Harcourt:* Robert Raizenne. *University of Michigan:* James R. Hines JR., Richard A. Musgrave Collegiate Professor of Economics and Professor of Law. *University of Toronto:* Roger Martin, Dean, Rotman School of Management. *C.D. Howe Institute:* Finn Poschmann, Director of Research.

Pursuant to Standing Order 108(2), the Committee resumed its briefing on tax havens and tax avoidance.

The witnesses made statements and answered questions.

At 12:38, the sitting was suspended.

At 12:40, the Committee resumed sitting *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

It was agreed, — That, during its consideration of matters pursuant to Standing Order 83.1, the Chair seek the permission of the House to adjourn from place to place within Canada and to permit the broadcasting of its proceedings thereon, and that the necessary staff do accompany the Committee.

It was agreed, — That the Western travel budget in the amount of \$ 155,567 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That the Eastern travel budget in the amount of \$ 136,429 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That the Iqaluit travel budget in the amount of \$ 84,208 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That the operational budget in the amount of \$ 41,500 be adopted and that the Chair seek the necessary funds from the Liaison Committee at the earliest opportunity.

It was agreed, — That, during its consideration of matters pursuant to the Study on Tax Havens and Tax avoidance, that the budget in the amount of \$12,450 be adopted.

At 12:50 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/10 4:13 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 83

Tuesday, May 15, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

MEMBERS OF THE COMMITTEE PRESENT:

Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Dave Batters for Diane Ablonczy,
and Hon. Joe McGuire for Hon. John McCallum.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal Analyst;
Alexandre Laurin, Analyst.

WITNESSES:

Barbados Private Sector Association:

Ben Arrindell.

Canadian Labour Congress:

Erin Weir, Economist.

As an Individual:

Brigitte Alepin, Chartered Accountant, Fiscalist.

Laval University:

André Lareau, Professor.

University of Toronto:

Walid Hejazi, Professor, International School of Business, Rotman School of Business.

Department of Finance:

Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch;

Lawrence Purdy, Senior Chief, Tax Legislation Division, Tax Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 83

Tuesday, May 15, 2007

The Standing Committee on Finance met in a televised session at 11:03 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Dave Batters for Diane Ablonczy and Hon. Joe McGuire for Hon. John McCallum.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.

Witnesses: Barbados Private Sector Association: Ben Arrindell. *Canadian Labour Congress:* Erin Weir, Economist. *As an individual:* Brigitte Alepin, Chartered Accountant, Fiscalist. *Laval University:* André Lareau, Professor. *University of Toronto:* Walid Hejazi, Professor, International School of Business, Rotman School of Business. *Department of Finance:* Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch; Lawrence Purdy, Senior Chief, Tax Legislation Division, Tax Policy Branch.

Pursuant to Standing Order 108(2), the Committee proceeded to a briefing on tax havens and tax avoidance.

The witnesses made statements and answered questions.

At 12:22 p.m., the sitting was suspended.

At 12:44 p.m., the sitting resumed.

Questioning of the witnesses resumed.

At 1:57 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/15 4:21 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Vice-Chair: Massimo Pacetti.

Meeting No. 84

Wednesday, May 16, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Paul Crête,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Ron Cannan for Dean Del Mastro,
Rick Norlock for Brian Pallister,
Hon. Garth Turner for Hon. John McCallum,
and Lynne Yelich for Diane Ablonczy.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

APPEARING:

Hon. Jim Flaherty, Minister of Finance.

WITNESSES:

Department of Finance:

Paul Rochon, Assistant Deputy Minister, Economic and Fiscal Policy Branch;

Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch;

Jeremy Rudin, General Director, Economic and Fiscal Policy Branch;

Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch;

Denis Gauthier, Assistant Deputy Minister, Economic Development and Corporate Finance;

Jim Haley, Senior Advisor to the ADM, International Trade and Finance.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 84

Wednesday, May 16, 2007

The Standing Committee on Finance met in a televised session at 3:30 p.m. this day, in Room 237-C, Centre Block, the Chair, Massimo Pacetti, presiding.

Members of the Committee present: Paul Crête, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Ron Cannan for Dean Del Mastro, Rick Norlock for Brian Pallister, Hon. Garth Turner for Hon. John McCallum and Lynne Yelich for Diane Ablonczy.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Appearing: Hon. Jim Flaherty, Minister of Finance.

Witnesses: Department of Finance: Paul Rochon, Assistant Deputy Minister, Economic and Fiscal Policy Branch; Barbara Anderson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch; Jeremy Rudin, General Director, Economic and Fiscal Policy Branch; Brian Ernewein, General Director, Tax Legislation Division, Tax Policy Branch; Denis Gauthier, Assistant Deputy Minister, Economic Development and Corporate Finance; Jim Haley, Senior Advisor to the ADM, International Trade and Finance.

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee commenced consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

The Minister made an opening statement, and with witnesses, answered questions.

At 4:40 p.m., the sitting was suspended.

At 4:45 p.m. the sitting resumed.

Rick Dykstra moved - That with regards to consideration of Bill C-52, The Budget Implementation Act, the schedule be as follows for Thursday, May, 17, 2007;

11:00 - 12:30 p.m. Witnesses.

12:30 - 2:00 p.m. Clause by Clause consideration.

The Chairman ruled the motion out of order on the grounds that 48 hours notice is required prior to the Committee's consideration of such a notice. Whereupon the question " Shall the decision of the Chair be sustained? " was put and negatived by a show of hands. Yeas 5. Nays 6.

At 4:55 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/17 4:43 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 85

Thursday, May 17, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Hon. Maurizio Bevilacqua for Hon. Robert Thibault,
Hon. Scott Brison for Hon. John McCallum,
Hon. Michael D. Chong for Diane Ablonczy,
Jacques Gourde for Mike Wallace,

and Bev Shipley for Diane Ablonczy.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Advisor;
Alexandre Laurin, Analyst.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;
John Rossetti, Assistant Auditor General;
Vicki Plant, Principal Director;
Brenda Siegel, Director.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston
Clerk of the Committee

[Français](#)[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 85

Thursday, May 17, 2007

The Standing Committee on Finance met in a televised session at 11:03 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Hon. Maurizio Bevilacqua for Hon. Robert Thibault, Hon. Scott Brison for Hon. John McCallum, Hon. Michael D. Chong for Diane Ablonczy, Jacques Gourde for Mike Wallace and Bev Shipley for Diane Ablonczy.

In attendance: Library of Parliament: June Dewetering, Advisor; Alexandre Laurin, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; John Rossetti, Assistant Auditor General; Vicki Plant, Principal Director; Brenda Siegel, Director.

Pursuant to Standing Order 108(2), the Committee resumed its briefing on tax havens and tax avoidance.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

At 12:22 p.m., the sitting was suspended.

At 12:58 p.m., the sitting resumed.

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

By unanimous consent, on motion of Dean Del Mastro, it was agreed, — That in relation to Bill C-52, at 11:59 p.m. on Wednesday, May 30th, 2007, if not already disposed of at the committee stage, C-52 shall be deemed adopted without amendment and the Chair ordered to report the Bill back to the House.

On motion of Michael Chong, it was agreed - That the Committee now adjourn.

At 13:12 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/05/17 4:41 p.m.

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HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 86

Monday, May 28, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Brian Pallister
and Hon. Robert Thibault.

ACTING MEMBERS PRESENT:

Hon. Ralph Goodale for Massimo Pacetti,
Pat Martin for Judy Wasylycia-Leis,
Louis Plamondon for Thierry St-Cyr,
and Hon. Gerry Ritz for Mike Wallace.

ASSOCIATE MEMBERS PRESENT:

Rick Norlock.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst.

WITNESSES:

Province of Saskatchewan:

Hon. Lorne Calvert, Premier.

Real Property Association of Canada:

Chris Conway, Manager, Government Relations.

Canadian Association of Income Funds:

George Kesteven, President.

Child Care Advocacy Association of Canada:

Monica Lysack, Executive Director.

Canadian Energy Infrastructure Group:

Robert Michaleski, President and Chief Executive Officer ,
Pembina Pipeline Income Fund.

Child Care Advocacy Association of Canada:

Nancy Peckford, Member, Council of Advocates.

Canadian Labour Congress:

Erin Weir, Economist.

Richard Rumas
Acting Clerk of the Committee

 [Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 86

Monday, May 28, 2007

The Standing Committee on Finance met in a televised session at 3:34 p.m. this day, in Room 269, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Brian Pallister and Hon. Robert Thibault.

Acting Members present: Hon. Ralph Goodale for Massimo Pacetti, Pat Martin for Judy Wasylycia-Leis, Louis Plamondon for Thierry St-Cyr and Hon. Gerry Ritz for Mike Wallace.

Associate Members present: Rick Norlock.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Province of Saskatchewan: Hon. Lorne Calvert, Premier. *Real Property Association of Canada:* Chris Conway, Manager, Government Relations. *Canadian Association of Income Funds:* George Kesteven, President. *Child Care Advocacy Association of Canada:* Monica Lysack, Executive Director. *Canadian Energy Infrastructure Group:* Robert Michaleski, President and Chief Executive Officer, Pembina Pipeline Income Fund. *Child Care Advocacy Association of Canada:* Nancy Peckford, member, Council of Advocates. *Canadian Labour Congress:* Erin Weir, Economist.

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

The witnesses made statements and answered questions.

On motion of John McKay, it was agreed that Erin Weir, Monica Lysack and Nancy Peckford be invited to return before the committee.

At 4:31 p.m., the sitting was suspended.

At 4:34 p.m., the sitting resumed.

The witnesses made statements and answered questions.

At 5:32 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Acting Clerk of the Committee

2007/05/29 11:25 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 87

Tuesday, May 29, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
Alexandre Laurin, Analyst.

WITNESSES:

Coalition of Canadian Energy Trusts:

John Dielwart, Chief Executive Officer, ARC Energy Trust.

As Individuals:

Paul Hobson, Professor, Department of Economics, Acadia University.

Assembly of First Nations:

Richard Jock, Chief Executive Officer.

As Individuals:

James G. Morand, Partner, McCarthy Tétrault .

Canadian Vehicle Manufacturers' Association:

Mark A. Nantais, President.

As Individuals:

Dianne Urquhart, Independent Consulting Analyst.

David Suzuki Foundation:

Bill Wareham, Acting Director.

Living Oceans Society:

Kate Willis, Campaign Manager, Marine Planning and Protected Areas Campaign Manager.

As Individuals:

Armine Yalnizyan, Director of Research, Community Social Planning Council of Toronto .

Mark D'Amore
Committee Clerk

Français Close**MINUTES OF PROCEEDINGS**

Meeting No. 87

Tuesday, May 29, 2007

The Standing Committee on Finance met at 11:01 a.m. this day, in Room 269, West Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: Alexandre Laurin, Analyst.

Witnesses: Coalition of Canadian Energy Trusts: John Dielwart, Chief Executive Officer, ARC Energy Trust. *As an individual:* Paul Hobson, Professor, Department of Economics, Acadia University.

Assembly of First Nations: Richard Jock, Chief Executive Officer. *As an individual:* James G. Morand, Partner, McCarthy Tétrault S.E.N.C.R.L., s.r.l. . *Canadian Vehicle Manufacturers' Association:* Mark A. Nantais, President. *As an individual:* Dianne Urquhart, Independent Consulting Analyst. *David Suzuki Foundation:* Bill Wareham, Acting Director. *Living Oceans Society:* Kate Willis, Campaign Manager, Marine Planning and Protected Areas Campaign Manager. *As an individual:* Armine Yalnizyan, Director of Research, Community Social Planning Council of Toronto .

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

John Dielwart, Bill Wareham, Kate Willis, Mark A. Nantais and Paul Hobson made statements and answered questions.

At 12:26 p.m., the sitting was suspended.

At 12:40 p.m., the sitting resumed.

Richard Jock, Dianne Urquhart, James G. Morand and Armine Yalnizyan made statements and answered questions.

At 2:00 p.m., the Committee adjourned to the call of the Chair.

Mark D'Amore
Committee Clerk

2007/05/29 3:31 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 88

Wednesday, May 30, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Advisor;
Alexandre Laurin, Analyst.

House of Commons:

Mike MacPherson, Legislative Clerk.

WITNESSES:

Department of Finance:

Chris Forbes, Director, Fiscal Policy Division, Economic and Fiscal Policy Branch;

Alfred LeBlanc, Director, Federal - Provincial Relations and Social Policy Branch;

Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch;

Gérard Lalonde, Director, Tax Legislation Division, Tax Policy Branch;

Pierre Mercille, Chief, GST Legislation, Sales Tax Division, Tax Policy Branch;

Frank Vermaeten, Senior Policy Analyst, Equalization and Policy Development, Federal-Provincial Development;

Alex Lessard, Tax Policy Officer, Sales Tax Division, Tax Policy Branch;

Phil King, Economist, Economic and fiscal Policy Branch, Economic and fiscal Policy Branch, Fiscal Policy Division, Revenue Analysis and Forecasting;

Lise Potvin, Director, , Sales Tax Division, Tax Policy.

Miriam Burke
Committee Clerk

MINUTES OF PROCEEDINGS

Meeting No. 88

Wednesday, May 30, 2007

The Standing Committee on Finance met at 3:50 p.m. this day, in Room 701, La Promenade Building, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Advisor; Alexandre Laurin, Analyst. *House of Commons:* Mike MacPherson, Legislative Clerk.

Witnesses: Department of Finance: Chris Forbes, Director, Fiscal Policy Division, Economic and Fiscal Policy Branch; Alfred LeBlanc, Director, Federal - Provincial Relations and Social Policy Branch; Serge Dupont, Assistant Deputy Minister, Financial Sector Policy Branch; Gérard Lalonde, Director, Tax Legislation Division, Tax Policy Branch; Pierre Mercille, Chief, GST Legislation, Sales Tax Division, Tax Policy Branch; Frank Vermaeten, Senior Policy Analyst, Equalization and Policy Development, Federal-Provincial Development; Alex Lessard, Tax Policy Officer, Sales Tax Division, Tax Policy Branch; Phil King, Chief Revenue Analysis and Forecasting, Finance Canada; Lise Potvin, Director, Sales Tax Division, Tax Policy.

Pursuant to the Order of Reference of Tuesday, May 15, 2007, the Committee resumed consideration of Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

The Committee commenced its clause-by-clause study of the Bill.

The witnesses answered questions.

Pursuant to Standing Order 75(1), consideration of Clause 1 is postponed.

The Chair calls Clause 2.

Clause 2 carried on division.

By unanimous consent, Clauses 3 to 11 inclusive carried on division.

On Clause 12,

John McCallum moved, — That Bill C-52, in Clause 12, be amended

(a) by replacing lines 21 to 40 on page 13 with the following:

“(b) if the trust is a trust described in subsection 197(1), 10% of all distributions made by the trust from its non-portfolio earnings for a taxation year to its unit holders in respect of a taxation year of the trust

that ends after 2007.”

(b) by deleting lines 1 to 21 on page 14;

(c) by replacing line 22 on page 14 with the following:

“(3) Subsection (1) is deemed to”

Debate arose thereon.

By unanimous consent, it was agreed, that the vote on the amendment would also apply to the following three amendments:

That Bill C-52 , in Clause 24, be amended by replacing lines 12 to 24 on page 30 with the following:

“(2) Every SIFT partnership or SIFT trust for which the issuer of a security in respect of that partnership or trust had applied to have the security listed as of October 31, 2006 on a public exchange in Canada or that is a successor partnership or trust of a partnership or trust that was listed on a public exchange on October 31, 2006 and that complies with prescribed growth and merger guidelines that are substantially in accordance with the guidelines issued by the Department of Finance on December 15, 2006, is liable to a tax under this Part equal to 10% of

(a) in the case of a trust, all distributions made by the trust to its unit holders in respect of a taxation year of the trust that ends after 2007; and

(b) in the case of a partnership,

(i) the amount, if any, by which

(A) the total of all amounts of a partnership’s income for the taxation year from a business carried on by it in Canada or from a non-portfolio property, other than income that is a taxable dividend received by the partnership,

exceeds

(B) the total of all amounts each of which is the partnership’s loss for the taxation year from a business carried on by it in Canada or from a non-portfolio property, and

(ii) the amount, if any, by which all taxable capital gains of the partnership from dispositions of non-portfolio properties during the taxation year exceeds the total of the allowable capital losses of the partnership for the taxation year from dispositions of non-portfolio properties during the taxation year.

(2.1) Every individual who is resident in Canada and liable to pay tax under Part I may claim a refund or credit against tax otherwise payable under that Part of an amount designated by the issuer of the security in prescribed form.

(2.2) Every beneficiary of an RRSP who is the owner of a security described in this section, and who has received distributions in the taxation years that the securities were held, may claim a refund or tax credit, in an amount equal to the aggregate of the amounts paid by the trust or partnership in respect of distributions received by the RRSP, in the taxation year or any subsequent taxation year

(a) after the RRSP has been converted to a RRIF and an annuity commences to be paid in respect of the plan; or

(b) after the RRSP has been terminated and the accumulated proceeds withdrawn by the beneficiary.”

That Bill C-52 , in Clause 24, be amended by replacing lines 1 to 18 on page 32 with the following:

“(8) Any SIFT partnership or SIFT trust that fails to comply with the provisions of this Part is liable, in addition to the 10% distribution tax under this Part, to a penalty tax equal to that distribution tax.”

That Bill C-52 , in Clause 31, be amended by replacing line 33 on page 37 with the following:

“individual is a SIFT trust that is liable to a 10% distribution tax, a reference to income”

Debate arose thereon.

The Chair ruled the following amendment inadmissible because it infringed on the financial initiative of the Crown, as provided on page 655 of House of Commons Procedure and Practice:

That Bill C-52 , in Clause 24, be amended by replacing lines 12 to 24 on page 30 with the following:

“(2) Every SIFT partnership or SIFT trust for which the issuer of a security in respect of that partnership or trust had applied to have the security listed as of October 31, 2006 on a public exchange in Canada or that is a successor partnership or trust of a partnership or trust that was listed on a public exchange on October 31, 2006 and that complies with prescribed growth and merger guidelines that are substantially in accordance with the guidelines issued by the Department of Finance on December 15, 2006, is liable to a tax under this Part equal to 10% of

(a) in the case of a trust, all distributions made by the trust to its unit holders in respect of a taxation year of the trust that ends after 2007; and

(b) in the case of a partnership,

(i) the amount, if any, by which

(A) the total of all amounts of a partnership’s income for the taxation year from a business carried on by it in Canada or from a non-portfolio property, other than income that is a taxable dividend received by the partnership,

exceeds

(B) the total of all amounts each of which is the partnership’s loss for the taxation year from a business carried on by it in Canada or from a non-portfolio property, and

(ii) the amount, if any, by which all taxable capital gains of the partnership from dispositions of non-portfolio properties during the taxation year exceeds the total of the allowable capital losses of the partnership for the taxation year from dispositions of non-portfolio properties during the taxation year.

(2.1) Every individual who is resident in Canada and liable to pay tax under Part I may claim a refund or

credit against tax otherwise payable under that Part of an amount designated by the issuer of the security in prescribed form.

(2.2) Every beneficiary of an RRSP who is the owner of a security described in this section, and who has received distributions in the taxation years that the securities were held, may claim a refund or tax credit, in an amount equal to the aggregate of the amounts paid by the trust or partnership in respect of distributions received by the RRSP, in the taxation year or any subsequent taxation year

(a) after the RRSP has been converted to a RRIF and an annuity commences to be paid in respect of the plan; or

(b) after the RRSP has been terminated and the accumulated proceeds withdrawn by the beneficiary.”

Whereupon, John McCallum appealed the decision of the Chair.

The question: “Shall the decision of the Chair be sustained?” was put and the decision was sustained, by a show of hands: YEAS: 5; NAYS: 4.

After debate, the question was put on the amendment of John McCallum and it was negatived, by a show of hands: YEAS: 4; NAYS: 7.

Accordingly the following two amendments were also negatived:

That Bill C-52, in Clause 24, be amended by replacing lines 1 to 18 on page 32 with the following:

“(8) Any SIFT partnership or SIFT trust that fails to comply with the provisions of this Part is liable, in addition to the 10% distribution tax under this Part, to a penalty tax equal to that distribution tax.”

That Bill C-52, in Clause 31, be amended by replacing line 33 on page 37 with the following:

“individual is a SIFT trust that is liable to a 10% distribution tax, a reference to income”

Clause 12, as amended, carried on the following recorded division: YEAS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Thierry St-Cyr, Mike Wallace, Judy Wasylycia-Leis — 7; NAYS: John McCallum, John McKay, Massimo Pacetti, Robert Thibault — 4.

On Clause 13,

John McCallum moved, — That Bill C-52, in Clause 13, be amended by deleting lines 26 to 32 on page 16.

Debate arose thereon.

The question was put on the amendment of John McCallum and it was negatived, by a show of hands: YEAS: 4; NAYS: 7.

Diane Ablonczy moved, — That Bill C-52, in Clause 13, be amended by replacing lines 39 to 43 on page 16 with the following:

“from maintaining, improving, leasing or managing real or immovable properties that are capital

properties of the trust or of an entity of which the trust holds a share or an interest, including real or immovable properties that the trust, or an entity of which the trust holds a share or an interest, holds together with one or more”

Debate arose thereon.

The question was put on the amendment of Diane Ablonczy and it was agreed to, by a show of hands: YEAS: 7; NAYS: 4.

John McCallum moved, — That Bill C-52, in Clause 13, be amended by replacing line 15 on page 20 with the following:

“(a) 2017, and”

Debate arose thereon.

The question was put on the amendment of John McCallum and it was negated on the following recorded division: YEAS: John McCallum, John McKay, Massimo Pacetti, Robert Thibault — 4; NAYS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Thierry St-Cyr, Mike Wallace, Judy Wasylycia-Leis — 7.

John McCallum moved, — That Bill C-52, in Clause 13, be amended by replacing lines 18 to 21 on page 20 with the following:

“determined by reference to prescribed growth and merger guidelines that are substantially in accordance with the normal growth guidelines issued by the Department of Finance on December 15, 2006, unless that excess arose as”

Debate arose thereon.

The question was put on the amendment of John McCallum and it was negated, by a show of hands: YEAS: 4; NAYS: 7.

Clause 13, as amended, carried on division.

By unanimous consent, Clauses 14 to 18 inclusive carried on division.

On Clause 19,

Diane Ablonczy moved, — That Bill C-52, in Clause 19, be amended by

(a) replacing lines 43 and 44 on page 25 with the following:

“(other than for the purposes of subsection 146.3(5.1) of the Act, regulations made under subsection 153(1) of the Act and the definition “periodic pension payment” in section 5 of the *Income Tax Conventions Interpretation Act*),”

(b) replacing lines 12 and 13 on page 26 with the following:

“(other than for the purposes of subsection 146.3(5.1) of the Act, regulations made under subsection

153(1) of the Act and the definition “periodic pension payment” in section 5 of the *Income Tax Conventions Interpretation Act*),”

(c) adding after line 27 on page 26 the following:

“(6) For the purpose of applying clause 60(1)(v)(B.2) of the Act for the 2007 and 2008 taxation years, an eligible amount of a taxpayer for a taxation year in respect of a registered retirement income fund (within the meaning assigned by subsection 146.3(6.11) of the Act) is deemed to include

(a) if the taxation year is 2007, the taxpayer was the annuitant under the fund on January 1, 2007 and the taxpayer attained 69 or 70 years of age in 2006, the lesser of

(i) the total amounts included because of subsection 146.3(5) of the Act in computing the income of the taxpayer for the taxation year in respect of amounts received out of or under the fund (other than an amount paid by direct transfer from the fund to another fund or a registered retirement savings plan), and

(ii) the amount that would, but for paragraph (4)(a), be the minimum amount under the fund for 2007; and

(b) if the taxation year is 2008, the taxpayer was the annuitant under the fund on January 1, 2008 and the taxpayer attained 70 years of age in 2007, the lesser of

(i) the total amounts included because of subsection 146.3(5) of the Act in computing the income of the taxpayer for the taxation year in respect of amounts received out of or under the fund (other than an amount paid by direct transfer from the fund to another fund or a registered retirement savings plan), and

(ii) the amount that would, but for paragraph (4)(b), be the minimum amount under the fund for 2008.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to on division.

Clause 19, as amended, carried on division.

By unanimous consent, Clauses 20 to 23 inclusive carried on division.

After debate, Clause 24 carried on division.

By unanimous consent, Clauses 25 to 43 inclusive carried on division.

On Clause 44,

Diane Ablonczy moved, — That Bill C-52, in Clause 44, be amended by replacing line 13 on page 49 with the following:

“consumer before October 2007.”

After debate, the question was put on the amendment of Diane Ablonczy and it was agreed to on

division.

Clause 44, as amended, carried on the following recorded division: YEAS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, John McCallum, John McKay, Thierry St-Cyr, Mike Wallace — 8; NAYS: Massimo Pacetti, Robert Thibault, Judy Wasylycia-Leis — 3.

By unanimous consent, Clauses 45 to 48 inclusive carried on division.

On new Clause 48.1,

Judy Wasylycia-Leis moved, — That Bill C-52 be amended by adding after line 40 on page 55 the following new clause:

“48.1 Within 60 days after the expiration of one year after the amendments made by section 48 come into force, the Secretary of State responsible for tourism shall, after consulting with representatives of the tourism industry throughout Canada, publish a report on the effect of these amendments on the tourism industry in that year. In particular, the report shall contain an analysis of the impact, if any, that these amendments have had on Canada’s ability to compete with other nations in respect of inbound tourism. The Secretary of State shall submit the report to the Speaker of the House of Commons for tabling in that House on any of the first 10 days on which that House is sitting after the publication of the report.”

Debate arose thereon.

The question was put on the amendment of Judy Wasylycia-Leis and it was negatived, by a show of hands: YEAS: 1; NAYS: 10.

By unanimous consent, Clauses 49 to 60 inclusive carried on division.

Clause 61 carried on division.

On Clause 62,

Judy Wasylycia-Leis moved, — That Bill C-52, in Clause 62, be amended by replacing line 6 on page 64 with the following:

“An Act to dedicate to municipal infrastructure funding”

By unanimous consent, it was agreed, that the vote on the amendment would also apply to the following amendment:

That Bill C-52, in Clause 62, be amended by replacing lines 13 and 14 on page 64 with the following:

“reductions of federal debt to municipal infrastructure funding.”

Debate arose thereon.

The Chair ruled the proposed amendments inadmissible because they were beyond the scope of the Bill, as provided on page 654 of House of Commons Procedure and Practice.

Clause 62 carried on division.

By unanimous consent, Clauses 63 to 126 inclusive carried on division.

On Clause 127

Diane Ablonczy moved, — That Bill C-52 be amended by replacing the heading after line 11 on page 125 with the following:

“Clean Air and Climate Change Trust Fund”

Debate arose thereon.

The question was put on the amendment of Diane Ablonczy and it was agreed to, by a show of hands: YEAS: 6; NAYS: 3.

Clause 127, as amended, carried on division.

By unanimous consent, Clauses 128 to 156 inclusive carried on division.

The Short Title carried on division.

The Title carried.

The Bill, as amended, carried on the following recorded division: YEAS: Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Thierry St-Cyr, Mike Wallace — 6; NAYS: John McCallum, John McKay, Massimo Pacetti, Robert Thibault, Judy Wasylycia-Leis — 5.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-52, as amended, be reprinted for the use of the House at report stage.

At 5:01 p.m., the Committee adjourned to the call of the Chair.

Miriam Burke
Committee Clerk

2007/06/07 1:46 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 89

Tuesday, June 5, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee proceeded to the consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bijural expression of the provisions of that Act.

MEMBERS OF THE COMMITTEE PRESENT:

Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault,
Mike Wallace
and Judy Wasylycia-Leis.

IN ATTENDANCE:

Library of Parliament:
June Dewetering, Principal Analyst;
Alexandre Laurin, Analyst.

APPEARING:

Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

WITNESSES:

Department of Finance:

Gérard Lalonde, Acting Director, Tax Policy Branch;
Wallace Conway, Chief, Tax Legislation Division, Foreign
Income, Trusts and Capital Gains.

The Honourable Diane Ablonczy made an opening statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston
Clerk of the Committee

Français

[Close](#)

MINUTES OF PROCEEDINGS

Meeting No. 89

Tuesday, June 5, 2007

The Standing Committee on Finance met in a televised session at 11:07 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault, Mike Wallace and Judy Wasylycia-Leis.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.

Appearing: Hon. Diane Ablonczy, Parliamentary Secretary to the Minister of Finance.

Witnesses: Department of Finance: Gérard Lalonde, Acting Director, Tax Policy Branch; Wallace Conway, Chief, Tax Legislation Division, Foreign Income, Trusts and Capital Gains.

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee commenced consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bijural expression of the provisions of that Act.

The Chair called Clause 1.

The Honourable Diane Ablonczy made an opening statement and, with the other witnesses, answered questions.

At 11:56 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/06/05 2:19 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 90

Thursday, June 7, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee proceeded to the consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Paul Crête,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Hon. John McKay,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Robert Carrier for Paul Crête,
and Bev Shipley for Mike Wallace.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal Analyst;
Alexandre Laurin, Analyst.

House of Commons:

Marc Toupin, Legislative Clerk.

WITNESSES:

As an Individual:

Robert L. Brown.

Department of Finance:

Jeffrey Johns, Tax Policy Branch, Tax Legislative Division;
Gérard Lalonde, Acting Director, Tax Policy Branch.

University of Sherbrooke:

Gilles Larin.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 90

Thursday, June 7, 2007

The Standing Committee on Finance met in a televised session at 11:04 a.m. this day, in Room 253-D, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Hon. Diane Ablonczy, Paul Crête, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Hon. John McKay, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault and Judy Wasylycia-Leis.

Acting Members present: Robert Carrier for Paul Crête and Bev Shipley for Mike Wallace.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.
House of Commons: Marc Toupin, Legislative Clerk.

Witnesses: As an individual: Robert L. Brown. *Department of Finance:* Jeffrey Johns, Tax Policy Branch, Tax Legislative Division; Gérard Lalonde, Acting Director, Tax Policy Branch. *University of Sherbrooke:* Gilles Larin.

Pursuant to Standing Order 108(2), the Committee resumed its briefing on tax havens and tax avoidance.

The witnesses made statements and answered questions.

At 12:01 p.m., the sitting was suspended.

At 12:21 p.m., the sitting resumed.

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee proceeded to the consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act.

The Committee commenced its clause-by-clause study of the Bill.

It was agreed, — That the Committee suspend its consideration of Bill C-33 until Tuesday, June 12, 2007.

By unanimous consent, Paul Crête moved, — That notwithstanding the motion of May 3, 2007 concerning tax havens, that the Committee devote henceforth 1 hour to hear witnesses and 1.5 hours to discuss its draft report on tax havens.

At 12:45 p.m., the sitting was suspended.

At 12:51 p.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

Debate on the motion continued.

It was agreed, — That notwithstanding the motion of May 3, 2007 concerning tax havens, that the Committee devote henceforth 1 hour to hear witnesses and 1.5 hours to discuss its draft report on tax havens.

At 2:00 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/06/11 11:25 a.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 91

Tuesday, June 12, 2007

ORDER OF THE DAY:

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee proceeded to the consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bijural expression of the provisions of that Act.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Mike Wallace
and Judy Wasylycia-Leis.

ACTING MEMBERS PRESENT:

Omar Alghabra for Hon. John McKay,
Louis Plamondon for Paul Crête,
and Paul Szabo for Hon. John McCallum.

IN ATTENDANCE:

Library of Parliament:

Alexandre Laurin, Analyst.

House of Commons:

Marc Toupin, Legislative Clerk.

WITNESSES:

Department of Finance:

Wallace Conway, Chief, Tax Legislation Division, Foreign
Income, Trusts and Capital Gains;

Gérard Lalonde, Acting Director, Tax Policy Branch.

Elizabeth B. Kingston
Clerk of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 91

Tuesday, June 12, 2007

The Standing Committee on Finance met in a televised session at 11:45 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Mike Wallace and Judy Wasylycia-Leis.

Acting Members present: Omar Alghabra for Hon. John McKay, Louis Plamondon for Paul Crête and Paul Szabo for Hon. John McCallum.

In attendance: Library of Parliament: Alexandre Laurin, Analyst. *House of Commons:* Marc Toupin, Legislative Clerk.

Witnesses: Department of Finance: Wallace Conway, Chief, Tax Legislation Division, Foreign Income, Trusts and Capital Gains; Gérard Lalonde, Acting Director, Tax Policy Branch.

Pursuant to the Order of Reference of Monday, May 14, 2007, the Committee proceeded to the consideration of Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act.

The Committee commenced its clause-by-clause study of the Bill.

By unanimous consent, the following amendments were agreed to:

That Bill C-33, in Clause 2, be amended by replacing line 12 on page 1 with the following:

“that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 3, be amended by replacing line 6 on page 2 with the following:

“(2) Subsection (1) applies after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 4, be amended by replacing line 22 on page 2 with the following:

“(2) Subsection (1) applies after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 5, be amended by replacing line 32 on page 2 with the following:

“that occur after 2006, except that that subsection also applies to dispositions of a taxpayer that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 6, be amended by replacing line 33 on page 3 with the following:

“2006, except that that subsection also applies in respect of a taxpayer to exchanges that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 7, be amended by replacing line 29 on page 4 with the following:

“that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 8, be amended by

(a) replacing lines 2 and 3 on page 5 with the following:

“before 2007 or, if this paragraph applies to the taxpayer for a taxation year preceding the taxpayer’s first taxation year beginning after 2006, as it applied to taxation years of the taxpayer that began before the taxpayer’s first taxation year to which this paragraph applied) or a participating interest in a foreign investment entity,”

(b) replacing line 13 on page 5 with the following:

“before 2007 or, if this clause applies to the taxpayer for a taxation year preceding the taxpayer’s first taxation year beginning after 2006, as it applied to taxation years of the taxpayer that began before the taxpayer’s first taxation year to which this clause applied), or”

(c) replacing lines 38 and 39 on page 5 with the following:

“foreign affiliate that began before 2007 or, if this clause applies to the controlled foreign affiliate for a taxation year preceding the controlled foreign affiliate’s first taxation year beginning after 2006, as those subsections read in their application to taxation years of the controlled foreign affiliate that began before the controlled foreign affiliate’s first taxation year to which this clause applied), or”

(d) adding after line 10 on page 8 the following:

“Subsections (2) and (4) also apply to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 9, be amended by replacing line 26 on page 10 with the following:

“tion years that begin after 2006, except that those subsections also apply to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 10, be amended by replacing line 43 on page 10 with the following:

“occur in taxation years that begin after 2006, except that that subsection also applies in respect of a taxpayer to transfers that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 12, be amended by replacing line 6 on page 12 with the following:

“that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 13, be amended by replacing line 35 on page 12 with the following:

“tion years that begin after 2006, except that those subsections also apply to dispositions or exchanges in respect of a taxpayer that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 14, be amended by replacing line 8 on page 13 with the following:

“2006, except that that subsection also applies in respect of a taxpayer to dispositions that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 16, be amended by replacing line 42 on page 13 with the following:

“that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 17, be amended by

(a) replacing lines 1 to 3 on page 20 with the following:

“(a) the particular property is at that time”

(b) replacing line 13 on page 20 with the following:

“(b) there are at least 150 persons each of”

(c) replacing line 20 on page 20 with the following:

“(c) the total of all amounts each of which is”

(d) replacing line 30 on page 20 with the following:

“(d) property that is identical to the particular”

(e) replacing line 34 on page 20 with the following:

“(e) the particular property, or identical prop-”

(f) replacing line 19 on page 29 with the following:

“without reference to paragraphs (b) and (c) of the definition “contribution” and to paragraph (2)(l), or”

(g) replacing lines 43 to 46 on page 35 with the following:

“entity of the particular entity’s interest as a beneficiary under the trust that was acquired as a result of the contribution) to receive, at any”

(h) replacing line 40 on page 60 with the following:

“paragraph (b) of the definition “excluded”

That Bill C-33, in Clause 17, be amended by

(a) replacing lines 37 to 44 on page 51 with the following:

“2006 (or, where this subsection applies to a taxation year of the trust that begins before 2007, at the end of the last taxation year of the trust that begins before the first such taxation year of the trust) under subsection (2) (as it read in its application to taxation years that began before 2007 or, where this subsection applies to a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year) in respect of the trust if the entity had received before 2007 amounts described under paragraph (2)(a) or (b) in respect of the trust (as those paragraphs read in their application to taxation years that began before 2007 or, where this subsection applies to a taxation year of the trust that begins before 2007, as those paragraphs read in their application to taxation years of the trust that began before the first such taxation year)”

(b) replacing line 4 on page 52 with the following:

“before 2007 (or, where this subsection applies to a taxation year of the trust that begins before 2007, in respect of the taxation years, of the trust, that began before the first such taxation year) under Divisions I and J, and”

(c) replacing lines 43 to 45 on page 55 with the following:

“end of 2006 (or, where this subsection applies to a taxation year of the trust that begins before 2007, at the end of the last taxation year of the trust beginning before the first such taxation year) under subsection (2) (as it read in its application to taxation years that began before 2007, or, where this subsection applies to a taxation year of the trust that begins before 2007, in its application to taxation years of the trust that began before the first such taxation year) if the trust had tax”

(d) replacing line 6 on page 56 with the following:

“years that began before 2007, or, where this subsection applies to a taxation year of the trust that begins before 2007, as they read in their application to taxation years of the trust that began before the first such taxation year), except to”

(e) replacing line 24 on page 56 with the following:

“before 2007, or, where this subsection applies to a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year),”

(f) replacing line 36 on page 56 with the following:

“before 2007, or, where this subsection applies to a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year), or”

(g) replacing line 25 on page 58 with the following:

“taxation years that began before 2007 (or, where this subsection applies to a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year), or”

(h) replacing line 30 on page 58 with the following:

“before 2007 (or, where this subsection applies to a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year) if that subsection were read in”

(i) replacing line 40 on page 58 with the following:

“began before 2007 or, where this subsection applies in respect of a taxation year of the trust that begins before 2007, as it read in its application to taxation years of the trust that began before the first such taxation year).”

(j) replacing lines 26 and 27 on page 61 with the following:

“ of a trust if the trust elects, in writing, to have section 94 of”

(k) replacing line 36 on page 61 with the following:

“trust if the trust”

(l) replacing line 3 on page 62 with the following:

“trust elects, in”

(m) replacing lines 12 and 13 on page 62 with the following:

“begin in 2006 of a trust if the trust elects, in writing, to”

(n) replacing lines 13 to 25 on page 71 with the following:

“(x) if a trust was, for its last taxation year that began before 2007 (or, where section 94 of the Act, as enacted by subsection (1), applies to a taxation year of the trust that begins before 2007, for its last taxation year that began before the first such taxation year), deemed by paragraph 94(1)(c) of the Act (as it read in its application to that taxation year) to be resident in Canada, paragraphs 94(4)(d) and (e) of the Act, as enacted by subsection (1), do not apply to the trust for the period that starts immediately

before the end of that last taxation year and that ends immediately after the beginning of its first taxation year that begins after 2006 (or, where section 94 of the Act, as enacted by subsection (1), applies to a taxation year of the trust that begins before 2007, for the period that starts immediately before the end of the last taxation year beginning before the first such taxation year and that ends immediately after the beginning of that first such taxation year), unless during that period a change in the trustees of the trust occurred;”

That Bill C-33, in Clause 18, be amended by

(a) replacing lines 12 to 15 on page 73 with the following:

“scribed stock exchange, and those identical participating interests were traded on at least 10 consecutive trading days on that stock exchange in the period that begins 30 days before that time;”

(b) replacing lines 6 to 18 on page 75 with the following:

“D is the amount, if any, by which the fair market value of the participating interest exceeds the cost amount to the taxpayer of the participating interest at the beginning of the first taxation year of the taxpayer in respect of which subsection (4) applied to the taxpayer in respect of the participating interest;”

(c) replacing line 43 on page 75 to line 7 on page 76 with the following:

“G is the amount, if any, by which the cost amount to the taxpayer of the participating interest exceeds the fair market value of the participating interest at the beginning of the first taxation year of the taxpayer in respect of which subsection (4) applied to the taxpayer in respect of the participating interest.”

(d) replacing line 5 on page 95 with the following:

“in a trust that is not an exempt foreign trust (as defined in subsection 94(1)),”

(e) replacing line 41 on page 109 with the following:

“foreign trust (as defined in subsection 94(1)), the amount that would be”

(f) replacing lines 1 to 6 on page 110 with the following:

“(I) the cost to the taxpayer of the participating interest were equal to the amount determined by the formula

$$A/B \times C$$

where

A is the amount, if any, by which

(a) the total of all amounts each of which is the cost amount, immediately before the disposition by the taxpayer of the participating interest in the trust, to the trust of a property (referred to in this subclause as a “distributed property”) that was distributed by the trust to the taxpayer as consideration for the

disposition by the taxpayer of the participating interest in the trust,

exceeds

(b) the total of all amounts each of which is an amount of a debt or obligation of the trust that was assumed by the taxpayer because a distributed property was distributed to the taxpayer by the trust as consideration for the disposition by the taxpayer of the participating interest in the trust,

B is the amount, if any, by which

(a) the total of all amounts each of which is the cost amount to the trust of a property held by the trust immediately before the time of the disposition of the taxpayer's participating interest in the trust,

exceeds

(b) the total of all amounts each of which is an amount of a debt or obligation of the trust immediately before the time of the disposition of the taxpayer's participating interest in the trust, and

C is the total of all amounts each of which was the cost amount, immediately after the time the property was acquired by the trust because of the contribution, to the trust of a property that was contributed to the trust at any time before the time of the disposition of the taxpayer's participating interest in the trust; and"

(g) replacing line 30 on page 150 with the following:

"any of those amounts payable or allocated and that is"

(h) replacing line 22 on page 152 with the following:

"become payable or allocated to a taxpayer in a particular"

That Bill C-33, in Clause 18, be amended by

(a) replacing line 36 on page 74 with the following:

"taxation year that ends after 2006 (or, where this definition applies to the taxpayer in respect of a taxation year of the taxpayer that ends before 2007, for a taxation year of the taxpayer that ends on or after the first day of the first such taxation year in respect of which this definition applies) and before"

(b) replacing lines 42 to 44 on page 74 with the following:

"began before 2007 or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, as it read in its application to taxation years of the taxpayer that began before the first such taxation year) of the taxpayer at the end of the taxpayer's last taxation year that began before 2007 (or, where this definition applies in respect of a taxation year of the taxpayer that began before 2007, at the end of the taxpayer's last taxation year that began before the first such taxation year in respect of which this definition applies), the total of all amounts"

(c) replacing line 22 on page 75 with the following:

“the non-resident entity (or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, after the last taxation year of the non-resident entity that begins before the first taxation year of the taxpayer in respect of which this definition applies) and before that time”

(d) replacing line 37 on page 75 with the following:

“the taxpayer after 2006 (or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, acquired on or after the first day of the first taxation year of the taxpayer in respect of which this definition applies), the amount, if any,”

(e) replacing line 36 on page 110 with the following:

“began after 2006 (or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, immediately before the beginning of the first taxation year of the taxpayer in respect of which this definition applies), the interest was capital”

(f) replacing line 16 on page 139 with the following:

“taxpayer that begins after 2006 (or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, that ends in a taxation year of the taxpayer that begins on or after the first day of the first taxation year of the taxpayer in respect of which this definition applies) if, at the end”

(g) replacing line 16 on page 143 with the following:

“begins after 2006 (or, where this definition applies in respect of a taxation year of the taxpayer that begins before 2007, if that taxation year of the taxpayer begins on or after the first day of the first taxation year of the taxpayer in respect of which this definition applies), the income or profits”

(h) replacing lines 14 to 16 on page 150 with the following:

“taxpayer that begins after 2006 (or, where this subsection applies in respect of a taxation year of the taxpayer that begins before 2007, in a particular taxation year of the taxpayer that begins on or after the first day of the first taxation year of the taxpayer in respect of which this subsection applies) or in a preceding taxation year of the taxpayer that begins after 2006 (or, where this subsection applies to the taxpayer in respect of a taxation year of the taxpayer that begins before 2007, in a preceding taxation year of the taxpayer that begins on or after the first day of the first taxation year of the taxpayer in respect of which this subsection applies), payable or allocated to the taxpayer by a particular”

(i) replacing line 13 on page 152 with the following:

“preceding taxation years, or

(IV) the total of all amounts, each of which is an amount that was claimed by the taxpayer under paragraph (4)(a) or (b) in respect of the participating interest for any of those taxation years; and”

(j) adding after line 31 on page 153 the following:

“(4) If subsection 94.1(4), 94.2(4) or 94.3(4) (as that subsection read in its application to taxation years beginning after 2006) applied to a taxpayer in computing the taxpayer’s income for a particular

taxation year of the taxpayer that began before 2007 (each such year referred to in this subsection as a “pre-2007 taxation year”) in respect of a participating interest of the taxpayer in a foreign investment entity

(a) there may be deducted, in computing the taxpayer’s income for the taxpayer’s first taxation year beginning after 2006, such amount as the taxpayer may claim not exceeding the amount, if any, by which

(i) the total of all amounts each of which is an amount included in computing the taxpayer’s income in a pre-2007 taxation year in respect of the participating interest because of subsection 94.1(4), 94.2(4) or 94.3(4)

exceeds

(ii) the total of all amounts each of which is an amount deducted in computing the taxpayer’s income in a pre-2007 taxation year in respect of the participating interest because of subsection 94.2(4), 94.3(4) or 94.4(2) or (3);

(b) there may be added, in computing the taxpayer’s capital loss from the disposition of a capital property for the taxpayer’s first taxation year beginning after 2006, such amount as the taxpayer may claim not exceeding the amount, if any, by which

(i) the total of all amounts each of which is an amount included in computing the taxpayer’s capital gain for a pre-2007 taxation year in respect of the participating interest because of subsection 94.2(4)

exceeds

(ii) the total of

(A) the total of all amounts each of which is an amount included in computing the taxpayer’s capital loss in a pre-2007 taxation year in respect of the participating interest because of subsection 94.2(4), and

(B) the amount, if any, by which the amount determined under subparagraph (a)(ii) exceeds the amount determined under subparagraph (a)(i) in respect of the participating interest; and

(c) in computing the adjusted cost base to the taxpayer at any time after the taxpayer’s first taxation year beginning after 2006, there is to be deducted the total of all amounts each of which is an amount claimed by the taxpayer under paragraph (a) or (b) to the extent that the amount claimed was deducted in computing the taxpayer’s income or added in computing the taxpayer’s capital loss from the disposition of a capital property.”

(k) replacing line 32 on page 153 to line 3 on page 154 with the following:

“(2) Subsection (1) applies to taxation years that begin after 2006, except that

(a) it also applies to

(i) taxation years of a taxpayer that begin after any of 2002, 2003, 2004 or 2005 if the taxpayer elects, in writing, to have sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxation

years of the taxpayer that begin after the year specified in the election and files the election with the Minister of National Revenue on or before the taxpayer's filing-due date for the taxpayer's taxation year in which this Act is assented to,

(ii) fiscal periods of a partnership that begin after any of 2002, 2003, 2004 or 2005 if a member of the partnership, who has authority to act for the partnership, elects, in writing, to have sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the fiscal periods of the partnership that begin after the year specified in the election and files the election with the Minister of National Revenue on or before the member's filing-due date for the member's taxation year in which this Act is assented to, and

(iii) taxation years of the foreign affiliates of a taxpayer that begin after any of 2002, 2003, 2004 or 2005 if the taxpayer elects, in writing, to have sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxation years of the foreign affiliates of the taxpayer that begin after the year specified in the election and files the election with the Minister of National Revenue on or before the taxpayer's filing-due date for the taxpayer's taxation year in which this Act is assented to;

(b) any election or form referred to in any of sections 94.1 to 94.3 of the Act, as enacted by subsection (1), made by a taxpayer is deemed to have been filed with the Minister of National Revenue

(i) on a timely basis if it is filed with the Minister of National Revenue on or before the taxpayer's filing-due date for the taxpayer's taxation year that includes the day on which this Act is assented to, and

(ii) in the taxpayer's return of income for the taxpayer's taxation year identified by the taxpayer in the election, if it is filed with the Minister of National Revenue in writing in the taxpayer's return of income for the taxpayer's taxation year that includes the day on which this Act is assented to;

(c) for taxation years that begin before October 30, 2003 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subparagraph (a)(ii) of the definition "exempt interest" in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read as follows:

(ii) a qualifying entity, or

(d) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subparagraph (a)(ii) of the definition "exempt interest" in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read without reference to "(other than a controlled foreign affiliate)";

(e) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), the definition "investment property" in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read without reference to its paragraph (k);

(f) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), paragraph (c) of the definition "significant interest" in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read as follows:

(c) if the other entity is a non-discretionary trust (as defined in subsection 17(15)), an interest as a beneficiary under the trust, if at that time the particular entity, or the particular entity together with entities related (otherwise than by reason of a right referred to in paragraph 251(5)(b)) to the particular entity, holds such interests under the trust that have a fair market value of 25% or more of the fair market value of all the interests as beneficiaries under the trust.

(g) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subparagraph (b)(i) of the definition “specified interest” in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read as follows:

(i) the entity or individual is at that time a successor beneficiary (as defined by subsection 94(1)) under the trust, or

(h) for taxation years that end before November 9, 2006 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subparagraph (b)(ii) of the definition “specified interest” in subsection 94.1(1) of the Act, as enacted by subsection (1), is to be read as follows:

(ii) every amount of income and capital of the trust that the entity or individual may receive at or after that time depends on the exercise by any entity or individual of, or the failure by any entity or individual to exercise, a discretionary power.

(i) paragraph 94.1(2)(c) of the Act, as enacted by subsection (1), does not apply, in respect of a taxpayer and a participating interest of the taxpayer in a trust for each of the taxpayer’s taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), unless the taxpayer elects, by notifying the Minister of National Revenue in writing on or before the taxpayer’s filing-due date for the taxpayer’s taxation year that includes the day on which this Act is assented to, that this paragraph not apply in respect of the taxpayer and the participating interest;

(j) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subsection 94.1(2) of the Act, as enacted by subsection (1), is to be read without reference to its paragraph (i);

(k) for taxation years that begin on or before November 9, 2006 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), paragraph 94.1(2)(w) of the Act, as enacted by subsection (1), is to be read without reference to its subparagraph (i);

(l) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), paragraph 94.2(9)(d) of the Act, as enacted by subsection (1), is to be read without reference to the expression “(whether immediate or future, whether absolute or contingent or whether conditional on or subject to the exercise of any discretion by any entity or individual)”;

(m) for taxation years that end before November 9, 2006 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), paragraph 94.2(11)(c) of the Act, as enacted by subsection (1), is to be read as follows:

(c) paragraphs (a) and (b) do not apply to the taxpayer for the particular taxation year in respect of the

interest if

(i) the taxpayer is an individual and the interest was acquired by the individual more than 60 months before the individual last became resident in Canada unless, at any particular time in the period that begins 60 months before the day on which the individual first became resident in Canada and that ends at the end of the particular taxation year, the total amount of premiums paid in respect of the policy is more than the total amount of premiums that can reasonably be considered to have been contemplated — at the time the policy was first issued — to be paid in respect of the policy as of the particular time,

(ii) under the terms and conditions of the insurance policy, the taxpayer is entitled to receive only

(A) benefits payable as a consequence of the occurrence of risks insured under the policy,

(B) an experience-rated refund of premiums for a year, or

(C) a return of premiums previously paid upon the surrender, cancellation or termination of the insurance policy, or

(iii) the taxpayer can establish to the satisfaction of the Minister that

(A) the interest in the policy was, on the anniversary day of the policy that occurs in the particular taxation year,

(I) an exempt policy, or

(II) a prescribed annuity contract, or

(B) the taxpayer has included in computing the taxpayer's income for the particular taxation year the amount, if any, required under section 12.2 to be included in computing the taxpayer's income for the particular taxation year in respect of the interest;

(n) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), the description of A in the definition "income allocation" in subsection 94.3(1) of the Act, as enacted by subsection (1), is to be read as if its paragraph (f) were replaced by the following:

(f) this Act were read without reference to subsections 20(11) and (12) and 104(4) to (6),

(f.1) in the case where the particular taxpayer is a corporation resident in Canada, dividends received by the non-resident entity in the particular taxation year from a foreign affiliate of the particular taxpayer were included in computing the income of the non-resident entity for the particular taxation year only where

(i) the particular taxpayer did not have a qualifying interest (within the meaning assigned by paragraph 95(2)(m)) in the foreign affiliate at the time the dividends were received, or

(ii) taking into account the application of paragraphs (a) and (h), subsection 94.2(4) applied for the purpose of computing the non-resident entity's income for the particular taxation year in respect of the non-resident entity's participating interest in the foreign affiliate,

(o) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), paragraph (h) of the description of A in the definition “income allocation” in subsection 94.3(1) of the Act, as enacted by subsection (1), is to be read as follows:

(h) the expression “controlled foreign affiliate” in paragraph (a) of the definition “exempt interest” in subsection 94.1(1) referred to a controlled foreign affiliate of the particular taxpayer and not to a controlled foreign affiliate of the non-resident entity,

(p) for taxation years that begin on or before July 18, 2005 (where sections 94.1 to 94.4 of the Act, as enacted by subsection (1), apply to the taxpayer for the taxation year), subparagraphs 94.3(2)(b)(v) to (viii) of the Act, as enacted by subsection (1), are to be read as follows:

(v) subsection (3)

(A) applied for a taxation year (referred to in this subparagraph as the “preceding taxation year”) that ended before the particular taxation year of the taxpayer in respect of the particular participating interest, and

(B) did not apply for a taxation year of the taxpayer that was after the preceding taxation year and before the particular taxation year in respect of the particular participating interest, or

(vi) subsection 94.2(9) applies to the taxpayer for the particular taxation year in respect of the particular participating interest.”

That Bill C-33, in Clause 19, be amended by replacing line 20 on page 159 with the following:

“of a taxpayer, that begin after 2006, except that they also apply to a taxation year of a foreign affiliate of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the foreign affiliate.”

That Bill C-33, in Clause 20, be amended by

(a) replacing line 9 on page 161 with the following:

“partnership that begins after 2006 (or, where sections 94.1 to 94.4 apply to a taxation year of the partnership that begins before 2007, that ends in a taxation year of the partnership that begins on or after the first day of the first taxation year of the partnership to which sections 94.1 to 94.4 apply),”

(b) replacing line 39 on page 164 with the following:

“periods that begin after 2006, except that those subsections also apply to a fiscal period of a partnership that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that fiscal period of the partnership.”

(c) replacing line 7 on page 165 with the following:

“(b) before 2007 (or, where sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to a fiscal period of the partnership that begins before 2007, before the first day of the first fiscal period of the partnership to which sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply), to be

read without refer-”

That Bill C-33, in Clause 21, be amended by replacing line 30 on page 165 with the following:

“2006, except that that subsection also applies to dispositions of a taxpayer that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 22, be amended by replacing line 10 on page 166 with the following:

“that begin after 2006, except that that subsection also applies to a fiscal period of a partnership that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that fiscal period of the partnership.”

That Bill C-33, in Clause 23, be amended by

(a) replacing lines 17 and 18 on page 166 with the following:

“that paragraph read in its application to taxation years that began before 2007 or, where sections 94.1 to 94.4 apply to a taxation year of a taxpayer that begins before 2007, as that paragraph read in its application to taxation years of the taxpayer that began before the first day of the first such taxation year) or paragraph”

(b) replacing line 13 on page 169 with the following:

“trust taxation years that begin after 2006. Subsection (1) also applies to a taxation year of a trust that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the trust.”

That Bill C-33, in Clause 24, be amended by replacing lines 13 to 17 on page 170 with the following:

“(3) Subsection (1) applies to taxation years that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.

(4) Subsection (2) applies to distributions that occur in taxation years that begin after 2006, except that that subsection also applies to distributions that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 25, be amended by replacing line 28 on page 170 with the following:

“2006, except that that subsection also applies to dispositions that occur in a taxation year of the taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 26, be amended by

(a) replacing line 14 on page 171 with the following:

“trust that began before 2007 (or, where sections 94.1 to 94.4 apply to a taxation year of the trust that begins before 2007, if that time is in a taxation year of the trust that began before the first day of the first such taxation year to which those sections apply), except in respect”

(b) replacing line 15 on page 172 with the following:

“taxation years that begin after 2006. Subsections (1) and (2) also apply to trust taxation years that begin before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the trust. Subsec-”

(c) replacing line 4 on page 173 with the following:

“after 2006 (or, where section 94 of the Act, as enacted by subsection 17(1), applies to a taxation year of the trust that begins before 2007, on or after the first day of the first such taxation year to which that section applies), whether an interest in a trust has”

That Bill C-33, in Clause 28, be amended by replacing line 26 on page 173 with the following:

“that begin after 2006, except that that subsection also applies to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 31, be amended by replacing line 15 on page 175 with the following:

“tion years that begin after 2006, except that those subsections also apply to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.”

That Bill C-33, in Clause 33, be amended by replacing line 10 on page 176 with the following:

“tion that, after 2006 (or, if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to a taxation year of the corporation that begins before 2007, on or after the first day of the first such taxation year), becomes or ceases to be”

That Bill C-33, in Clause 34, be amended by replacing line 18 on page 176 with the following:

“(2) Subsection (1) applies after 2006, except that, if section 94 of the Act, as enacted by subsection 17(1), applies to a taxation year of a taxpayer that begins before 2007, subsection (1) applies on or after the first day of the first such taxation year of the taxpayer to which that section 94 applies.”

That Bill C-33, in Clause 35, be amended by replacing line 2 on page 177 with the following:

“ments made after 2006, except that, if section 94 of the Act, as enacted by subsection 17(1), applies to a taxation year of a taxpayer that begins before 2007, subsection (1) applies to assessments made on or after the first day of the first such taxation year of the taxpayer to which that section 94 applies.”

That Bill C-33, in Clause 39, be amended by replacing line 36 on page 181 to line 3 on page 182 with the following:

“(2) Subsection (1) applies to trust taxation years that begin after 2006, except that

(a) that subsection also applies to a trust taxation year beginning before 2007 if section 94 of the Act, as enacted by subsection 17(1), applies to that taxation year of the trust; and

(b) an election referred to in subsection 216(4.1) of the Act, as enacted by subsection (1), is deemed to have been filed with the Minister of National Revenue on a timely basis if it is filed with the Minister of National Revenue on or before the trust's filing-due date for the taxation year of the trust that includes the day on which this Act is assented to."

That Bill C-33, in Clause 40, be amended by replacing line 12 on page 184 with the following:

"(i) an exempt foreign trust (as defined in subsection 94(1)),

That Bill C-33, in Clause 44, be amended by replacing lines 40 and 41 on page 193 with the following:

"(B) is approved by the Minister for the purpose of section 146 or"

That Bill C-33, in Clause 44, be amended by replacing lines 15 to 18 on page 194 with the following:

"(10) Subsections (2) to (4), (6) and (7) apply to taxation years that begin after 2006, except that those subsections also apply to a taxation year of a taxpayer that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that taxation year of the taxpayer.

(11) Subsection (5) applies to fiscal periods that begin after 2006, except that that subsection also applies to a fiscal period of a partnership that begins before 2007 if sections 94.1 to 94.4 of the Act, as enacted by subsection 18(1), apply to that fiscal period of the partnership."

That Bill C-33, in Clause 71, be amended by

(a) replacing line 9 on page 233 with the following:

"(b) individuals with whom the taxpayer does"

(b) replacing, in the French version, line 27 on page 240 with the following:

"et où des contribuables dans lesquels un ou"

(c) replacing, in the French version, line 37 on page 240 with the following:

"partie de la partie attribuable qui serait par ailleurs"

(d) replacing, in the English version, line 47 on page 240 with the following:

"taxation year by the taxpayer, except for the"

(e) replacing, in the English version, line 5 on page 241 with the following:

"joint election with the taxpayer;"

(f) adding after line 5 on page 241 the following:

“(c.1) if paragraph (b) applies to deem consideration to be received or receivable in a taxation year by the taxpayer and the consideration is actually received or receivable by another taxpayer – referred to in that paragraph – that is a corporation, partnership or trust, that consideration is deemed to have been received by the corporation, partnership or trust, as the case may be, as an agent of the taxpayer if it is transferred to taxpayer within 180 days from the date of receipt; and”

(g) replacing line 24 on page 241 with the following:

“property under paragraph 3(a).”

That Bill C-33, in Clause 86, be amended by

(a) replacing lines 17 and 18 on page 266 with the following:

“after the taxpayer’s adjustment time,”

(b) replacing, in the French version, line 8 on page 268 with the following:

“tion effectuée avant le moment de la”

(c) replacing, in the French version, line 28 on page 268 with the following:

“faveur d’une société, sauf si, à la fois :”

(d) replacing lines 26 to 31 on page 268 with the following:

“capital property, before June 7, 2007 and in a taxation year of the corporation ending after February 27, 2000, to a person with whom the corporation was dealing at arm’s length at the time of that disposition by the corporation.”

That Bill C-33, in Clause 117, be amended by

(a) replacing lines 7 to 38 on page 324 with the following:

“B is the amount determined by the formula

$0.225\% \times (D - \$10 \text{ million})$

where

D is

(a) if, in both the particular taxation year and the preceding taxation year, the corporation is not associated with any corporation, the taxable capital employed in Canada (within the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4, as the case may be) of the corporation for the preceding taxation year,

(b) if, in the particular taxation year, the corporation is not associated with any corporation but was associated with one or more corporations in the preceding taxation year, the taxable capital employed in Canada (within the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4, as the

case may be) of the corporation for the particular taxation year, or

(c) if, in the particular taxation year, the corporation is associated with one or more particular corporations, the total of all amounts each of which is the taxable capital employed in Canada (within the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4, as the case may be) of the corporation or of any of the particular corporations for its last taxation year that ended in the preceding calendar year.”

(b) replacing lines 41 and 42 on page 324 with the following:

“(4) Subsection (2) applies to taxation years that begin after December 20, 2002, except that, in its application to a corporation described in subsection 181.1(3) for taxation years of the corporation that began before this Act is assented to, the description of B in subsection 125(5.1) of the Act, as enacted by subsection (2), shall be read as follows:

B is

(a) if, in both the particular taxation year and the preceding taxation year, the corporation is not associated with any corporation, the amount that would, but for subsections 181.1(2) and (4), be the corporation’s tax payable under Part I.3 for the preceding taxation year,

(b) if, in the particular taxation year, the corporation is not associated with any corporation but was associated with one or more corporations in the preceding taxation year, the amount that would, but for subsections 181.1(2) and (4), be the corporation’s tax payable under Part I.3 for the particular taxation year, and

(c) if, in the particular taxation year, the corporation is associated with one or more particular corporations, the amount determined by the formula

$$0.225\% \times (D - E)$$

where

D is the total of all amounts each of which is the taxable capital employed in Canada (within the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4, as the case may be) of the corporation or of any of the particular corporations for its last taxation year that ended in the preceding calendar year, and

E is \$10 million.”

That Bill C-33, in Clause 123, be amended by replacing, in the English version, lines 10 to 12 on page 338 with the following:

“amounts each of which is the eligible amount of a monetary contribution that is referred to in the *Canada Elections Act* and that is made by the taxpayer”

That Bill C-33, in Clause 140, be amended by replacing, in the French version, line 30 on page 365 with the following:

“de celle des sommes suivantes qui est ap-”

By unanimous consent, it was agreed, — That all clauses so amended be adopted.

By unanimous consent, it was agreed, — That all clauses that were not amended be adopted.

Schedule 1 carried.

The Title carried.

The Bill, as amended, carried.

ORDERED, — That the Chair report the Bill, as amended, to the House.

ORDERED, — That Bill C-33, as amended, be reprinted for the use of the House at report stage.

At 11:49 a.m., the sitting was suspended.

At 11:52 a.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

At 1:15 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/06/14 2:21 p.m.

HOUSE OF COMMONS OF CANADA
39th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON FINANCE

Chair: Brian Pallister.

Meeting No. 92

Thursday, June 14, 2007

ORDER OF THE DAY:

Pursuant to Standing Order 108(2), the Committee resumed to a briefing on tax havens and tax avoidance.

The Committee proceeded to the consideration of matters related to Committee business.

MEMBERS OF THE COMMITTEE PRESENT:

Diane Ablonczy,
Dean Del Mastro,
Rick Dykstra,
Hon. John McCallum,
Massimo Pacetti,
Brian Pallister,
Thierry St-Cyr,
Hon. Robert Thibault
and Mike Wallace.

ACTING MEMBERS PRESENT:

Hon. Jim Peterson for Hon. John McKay,
and Louis Plamondon for Paul Crête.

IN ATTENDANCE:

Library of Parliament:

June Dewetering, Principal Analyst;
Alexandre Laurin, Analyst.

WITNESSES:

University of Toronto:

Walid Hejazi, Professor of International Business, Rotman School
of Management.

Elizabeth B. Kingston
Clerk of the Committee

Français

Close

MINUTES OF PROCEEDINGS

Meeting No. 92

Thursday, June 14, 2007

The Standing Committee on Finance met in a televised session at 11:05 a.m. this day, in Room 237-C, Centre Block, the Chair, Brian Pallister, presiding.

Members of the Committee present: Diane Ablonczy, Dean Del Mastro, Rick Dykstra, Hon. John McCallum, Massimo Pacetti, Brian Pallister, Thierry St-Cyr, Hon. Robert Thibault and Mike Wallace.

Acting Members present: Hon. Jim Peterson for Hon. John McKay and Louis Plamondon for Paul Crête.

In attendance: Library of Parliament: June Dewetering, Principal Analyst; Alexandre Laurin, Analyst.

Witnesses: University of Toronto: Walid Hejazi, Professor, International School of Business, Rotman School of Business.

Pursuant to Standing Order 108(2), the Committee resumed its briefing on tax havens and tax avoidance.

The witness made a statement and answered questions.

At 12:06 p.m., the sitting was suspended.

At 12:07 p.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

At 1:09 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2007/06/14 2:21 p.m.
